G20 DEVELOPMENT WORKING GROUP
FOOD SECURITY AND NUTRITION
IMPLEMENTATION PLAN OF THE
G20 FOOD SECURITY AND NUTRITION FRAMEWORK
Implementation Plan of the G20 Food Security and Nutrition Framework

I. Introduction

1. In their 2014 Communiqué, G20 Leaders committed to poverty eradication and development, and to ensuring that G20 actions contribute to inclusive and sustainable growth in low income and developing countries. Food security and nutrition are closely linked to economic growth and job creation, and G20 members recognize this connection. The G20 economies are not only major players in the global food system, but also have unique strengths as a coordinating forum, involving the emerging and advanced countries at the highest level, to add value to efforts aimed at ensuring food security and nutrition.

2. The G20 Food Security and Nutrition Framework (G20 FSN Framework), developed and endorsed under the Presidency of Australia in 2014, forms a broad conceptual structure for G20 actions on food security and nutrition, and sets implementation criteria that can sharpen the focus and relevance of these actions. The G20 FSN Framework sets three multi-year priority objectives: (i) increasing responsible investment in food systems; (ii) increasing incomes and quality employment in food systems; and, (iii) increasing productivity sustainably to expand the food supply. Additionally, the Framework emphasizes four cross-cutting themes: nutrition, smallholder and family farmers, women, and youth. It also ensures continued relevance, the mainstreaming of food security and nutrition across the work of the G20, an added value-based approach and commitment to address global challenges.

3. Under the Presidency of Turkey, the G20 Development Working Group (DWG) recognized the need for an Implementation Plan for the G20 FSN Framework. At its first meeting on 2-3 February 2015, the DWG requested FAO to coordinate the relevant international organizations in writing a draft to assist the Group in preparing its Implementation Plan for eventual approval by the DWG at its June meeting. The objective of the Plan is to identify specific, concrete and practical actions that make real progress towards the achievement of the Framework’s three priority objectives, with a focus on low income and developing countries (LIDCs). It addresses comments and suggestions on the international organizations’ draft made by G20 members during the second DWG meeting on 9-10 April 2015 and subsequent discussion by the DWG’s Food Security Steering Committee. The actions presented herein are in line with the G20 FSN Framework’s criteria for G20 engagement and reflect the G20’s comparative advantage in providing political support and engaging in collective action. They are also consistent with the 2010 Seoul Development Consensus for Growth and the 2013 St. Petersburg Development Outlook. The DWG agreed the final Implementation Plan at its third meeting on 4-5 June 2015.

4. The Implementation Plan\(^1\) aims towards shaping a medium-term, integrated and sustainable food systems approach, as outlined in the G20 FSN Framework, and includes actions that are consistent with the Framework’s criteria. This would concentrate efforts where the G20 is uniquely positioned to add value to broader initiatives on food security and nutrition. It should also identify opportunities for integrating the DWG’s work on food security and nutrition into other G20 work streams.

\(^1\) This Implementation Plan of the G20 Food Security and Nutrition Framework has been prepared with the assistance of FAO with additional inputs from IFAD, ILO, IFPRI, OECD, WFP and the World Bank Group.
5. This Implementation Plan lays out and prioritizes specific proposals for actions that contribute to meeting each of the G20 FSN Framework’s three priority objectives and address the need for mainstreaming food security and nutrition. It prioritizes practical actions in the areas of responsible investment, incomes and employment and sustainable productivity growth including food loss and waste. It pays particular attention to smallholder and family agriculture, with an emphasis on women and youth. It lists other actions of less immediate priority but which also contribute to meeting the Framework’s objectives. All these actions contribute towards generating growth and decent jobs in LIDCs. There are also suggestions for how the G20 members can use their political weight by supporting international food security and nutrition initiatives.

6. These actions differ in their mandate in terms of timelines. There are specific proposals for actions with a life of 1-3 years. Other actions are multi-year, and with those the Plan introduces continuity in the work of the DWG, especially in areas of importance in which the G20 already has a track record. Continuity is reinforced through actions that build on, and further develop existing G20 platforms and initiatives. At the same time, the Plan provides the space for future Presidencies to pursue different priorities. It is important that future G20 Presidencies retain sufficient flexibility to respond to emerging global concerns and address the G20 FSN Framework accordingly.

7. The G20 can add value to efforts for food security and nutrition by providing international leadership and encouraging international cooperation as set out in the FSN Framework. The modes for G20 interventions in food security and nutrition often take place by collective action, or by supporting IOs that lead G20 initiatives. In this context, the DWG is a forum focused on systemic issues in food security and nutrition that provides a space for consultation, knowledge-sharing, coordination and coherence of actions and policies. The opportunity for direct actions in LIDCs is limited—LIDCs implement a spectrum of food security and nutrition policies, depending on their capacity and objectives, and the DWG’s approach to development is not to prescribe specific policies. It is proposed that G20 members use this limited opportunity fully and become directly involved in the implementation of the G20 FSN Framework. This can be achieved by active engagement in G20 initiatives and global mechanisms and, most importantly, actions in the G20 members themselves that can contribute to shaping the international environment so that it is conducive to growth and development, fostering improved food security and nutrition in LIDCs. Most of the actions in this Plan emphasize greater policy coherence and concentration of the DWG’s efforts.

8. In parallel to the preparation of the Implementation Plan under the DWG, a meeting of G20 Agriculture Ministers in Istanbul on 7-8 May 2015 discussed how the G20 can best support the achievement of sustainable food systems and issued a Communiqué outlining their views and recommendations. This included proposals for investment to increase productivity, reducing food losses and waste, and strengthening the Agricultural Market Information System. While the main focus of the Ministerial Meeting and Communiqué was on G20 members, the two processes are closely linked in terms of priority themes relevant to both G20 and low-income developing countries, and are potentially mutually supporting in terms of moving forward the G20 agriculture and food security agenda. The recommendations of the Communiqué are not repeated here in the Implementation Plan. However, the Agriculture Ministers requested that “the Agriculture Deputies in collaboration with the DWG should bring together the conclusions of our meeting today and the recommendations of the Implementation Plan into a G20 Action Plan on Food Security/Sustainable Food Systems for consideration at the Antalya Leaders’ Summit.” The Action Plan is intended to be a high-level deliverable for G20 Leaders, incorporating elements of the Agriculture Ministers Communiqué and the DWG Implementation Plan.
9. It is also important that each of the actions agreed to during different Presidencies is monitored and evaluated. Consistent with the FSN Framework and the DWG Accountability Framework, the DWG will be responsible for monitoring all food security actions, reporting to Sherpas on agreed multi-year actions. In doing so, DWG members will work closely with agriculture officials.

II. Immediate priorities for action in implementing the G20 Food Security and Nutrition Framework

i. Actions to increase responsible investment in food systems

10. Global population is projected to reach 9.5 billion in 2050, with virtually all the increase expected to occur in developing countries. At the same time, urbanization is expected to accelerate, with the share of urban population projected to expand from 54 percent currently to 67 percent in 2050. These demographic changes will have huge implications for food security and nutrition.

11. Countries with large and growing rural populations will depend even more on agriculture — notably, in most cases, smallholder agriculture — not only for food, but also for employment and income. Population growth and rising incomes will translate into higher and more value added food consumption. It is estimated that total world consumption of all agricultural products will grow by 1.1 percent per year from 2005/07 to 2050. This means that global production in 2050 should be 60 percent higher than that of 2005/07. A key element in any long-term, sustainable solution is investment in increasing the productivity and resilience of developing country agriculture. In order to accomplish the necessary expansion in production, an average annual net investment of approximately US$83 billion (in 2009 US$) will be required in developing countries.

12. Smallholders and family farmers provide the bulk of domestic on-farm private investment in developing countries, complemented by investments from Small and Medium Enterprises (SMEs) and larger commercial enterprises in downstream and upstream segments of agricultural value chains. At the same time, flows of Foreign Direct Investment (FDI) to agriculture (agriculture, hunting, forestry and fisheries) as well as the food and beverage sectors have increased significantly over the past decade—mainly in response to higher agricultural product prices.

13. Mechanisms and instruments that promote responsible investment in agriculture and food systems are indispensable to achieve higher productivity, inclusive growth, poverty reduction and improved food security and nutrition, as they help ensure widespread access to investment opportunities and benefits, as well as the sustainability of social, economic and environmental impacts over time. Among these mechanisms, the G20 supports and encourages implementation of those guidelines and principles produced by the Committee on World Food Security, largely due to this body’s diverse membership and inclusive decision-making process. The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) were endorsed by the CFS in 2012. They address all relevant issues with respect to land tenure and contain a chapter on investment. The Principles for Responsible Investment in Agriculture and Food Systems (CFS-RAI) were approved by the 41st Session of CFS on 15 October 2014.

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14. The CFS-RAI Principles address all types of investment in agriculture and food systems—public, private, large, small—in both the production and processing spheres. Although the principles are voluntary and non-binding, they provide a framework that all stakeholders can use when developing individual agreements and contracts. The Principles build on a variety of sources, including the Principles for Responsible Agricultural Investment (PRAI) developed in 2009 by an Inter-Agency Working Group (IAWG), composed of FAO, IFAD, UNCTAD and the World Bank Group.

15. While the VGGT and CFS-RAI provide the basis for moving forward together, the people responsible for translating global policy into action—policymakers, lawmakers, investors, smallholder and other farmers, processors, traders, retailers, consumers, etc.—need to consider the practical steps involved in responsible agricultural investment at all stages of the food system. The G20 Ministers of Agriculture called on FAO, IFAD, UNCTAD, the World Bank Group and OECD to provide guidance to interested countries on the operationalization of these principles—a process that can also be supported by G20 members. In addition, G20 members can take action to help LIDCs foster responsible investment in sustainable food systems, including by applying the VGGT, the RAI Principles and regional guidelines such as the “Framework and Guidelines on Land Policy in Africa” and the “Guiding Principles on Large-Scale Land-Based Investments in Africa” in their own normative and incentive frameworks, shaping LIDC-directed investments originating in G20 members so that they promote inclusive growth.

16. Boosting responsible investment requires not only adherence to appropriate principles and guidelines, but also mechanisms to mobilize and channel resources—both public and private—toward such investments. IFAD is an international financing institution (as well as specialized UN agency) mandated to finance investments in smallholder and family agriculture and rural areas in order to reduce rural poverty and boost rural food security and nutrition. Since its establishment, IFAD has dedicated over US$14.7 billion in grants and low-interest loans to developing countries for projects supporting smallholder agriculture, addressing food security, creating rural employment, and enabling over 410 million rural people worldwide to overcome poverty over this same period.

17. The Global Agriculture and Food Security Program (GAFSP), a G20 initiative, is a multilateral fund managed by the World Bank Group with public and private sector windows. GAFSP is a mechanism that mobilizes investment for agricultural development and food security targeted toward LIDCs, with increased consideration for nutrition. GAFSP provides readily available financing to channel and scale-up agricultural and food security funding assistance on a coordinated basis in response to demonstrated commitment to results by countries. In addition, GAFSP expresses a political commitment to increase investment in agriculture and enhance food security in the poorest countries. In 2014, GAFSP allocated US$912 million to 25 countries, which will potentially improve the incomes and food security of over 10 million beneficiaries—mainly smallholder farmers and their families.

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**Action 1: Upholding the VGGT and CFS-RAI and promoting their application, on a voluntary basis, to investments originating in G20 members and support to GAFSP**

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<th>Implementation</th>
<th>Responsibilities and timeframe</th>
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<tr>
<td><strong>G20 members:</strong></td>
<td>The DWG requests that IOs provide factsheets on FDI outflows (based on data collected by UNCTAD). G20 members will develop mechanisms, such as organizing workshops to provide training and guidance to G20 LIDC-directed investors, developing and disseminating CFS-RAI/VGGT operationalization toolkits, or committing a National Focal Point, as appropriate, to assist investors and regulators. IOs can support these actions. <strong>Timeframe:</strong> 1-3 year focus will promote continuity and thus strengthen policy coherence. Participating G20 members will contribute to GAFSP as appropriate.</td>
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| A. On a voluntary basis, undertake actions to support the operationalization of VGGT and CFS-RAI, such as:  
- tracking FDI originating in G20 members and destined for LIDCs in order to assess the magnitude, targeting and impacts of outflows;  
- encourage IOs (including FAO, IFAD, ILO, OECD, the World Bank Group, UNCTAD), to provide guidance to interested countries on the operationalization of these principles  
- involve the private sector in their countries, including by raising awareness and promoting mechanisms to facilitate the operationalization of VGGT and CFS-RAI. | |
| B. Continue to support the Global Agriculture and Food Security Program (GAFSP). | |

**ii. Actions to increase incomes and quality employment in food systems and provide social protection**

18. The food security, jobs, and growth agendas are closely linked, and the possible actions in each area are mutually reinforcing to the others. While poverty is the primary cause of food insecurity, food insecurity can in turn cause or worsen poverty. Strategies to reduce poverty must tackle food insecurity and undernutrition if they are to succeed. Achieving food security and nutrition goals will require inclusive economic growth and employment generation. Better nutrition resulting from improved food security in turn strengthens the human resource base and human capital and also improves productivity, growth, and employment generation.

19. Gender inequality is a major cause and effect of hunger and poverty: it is estimated that 60 percent of chronically hungry people are women and girls. Countries with the highest levels of hunger also have disproportionately higher levels of gender inequality5. Achieving gender equality and economic empowerment of women therefore remain crucial for achieving zero hunger. Investing in rural women makes good economic sense. It is estimated that if women had the same access to productive resources as men, they could increase yields on their farms by 20-30 percent, raising total agricultural output in developing countries by 2.5-4 percent. This could reduce the number of hungry people in the world by 12-17 percent6. Yet, rural women remain disproportionately affected by poverty, hunger and malnutrition as well as unequal access to social services such as health and education.

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20. One mechanism that could increase incomes and help secure the future of rural areas is to support human capital development — particularly of women and young workers. It is estimated that youth make up 18 percent of the global population and 25 percent of the total working age population, with the vast majority of the world’s young people located in developing countries. While the youth population of the developing world is expected to continue growing, employment and entrepreneurial opportunities for women and young people in rural areas remain limited, leading to youth migration to urban areas and other countries, unemployment, underemployment in the informal sector, poverty and alienation.

21. Agriculture and sustainable food systems have huge potential to serve as sources of livelihood opportunities for women and rural youth, yet in many countries most of the food is produced by aging smallholder farmers. Re-engaging young people (both female and male) in agriculture through youth skills development and training programs and facilitating their access to productive assets will both raise and stabilize incomes, and also ensure the needed expansion in future agricultural production, thus contributing to food security and nutrition. Furthermore, improved labour productivity for youth and women has been found to have strong impacts on intergenerational poverty, such that investment in human resource development in rural areas could lead to longer-term improvements in quality of living in developing countries.

22. Skills upgrading, the anticipation and matching of skills to jobs, apprenticeships and work-linked training pathways are all necessary for achieving long-term sustainable growth in agriculture and the rural sector, promoting access to decent work for women and youth in rural areas, gender equality, and food security and nutrition. Knowledge-sharing and dialogue on good practices for training pathways among the G20 members and LIDCs could explore opportunities for enhancing G20 policy coherence in their cooperation with LIDCs, enabling the latter to cash in on the youth demographic dividend.

23. Social protection and safety nets are crucial in building communities’ resilience in addressing shocks, reducing vulnerabilities, and preventing social exclusion. They promote food security, health, nutrition and educational status, particularly of women and children. Integrating nutrition objectives into safety net programmes can accelerate progress in reducing undernutrition and raise productivity. But social protection mechanisms (such as, for example, cash transfers) can also influence the productive capacity of farmers (in particular women) that are subject to limited access to financial services for investment and risk mitigation. Evidence suggests that the provision of regular and predictable cash transfers to poor households in the context of missing or malfunctioning markets has generated economic and productive impacts at the household and local levels.

24. Social protection mechanisms are important elements in the spectrum of policies against poverty, food insecurity and undernutrition. Initiatives such as the ILO’s strategy on social protection floors—nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion—have contributed significantly to the recognition and development of social protection mechanisms.

25. In the context of social protection mechanisms designed to promote food security and nutrition, G20 members could also consider actions targeting the recovery of safe and nutritious food that would be otherwise wasted, and its subsequent redistribution to the most vulnerable. This is also in accordance with the hierarchy of actions, endorsed by the G20 Agriculture Ministers, to prioritize recovery and redistribution efforts towards people first, taking into account national circumstances and market-based approaches.

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7 FAO and OECD (2014). Opportunities for Economic Growth and Job Creation in Relation to Food Security and Nutrition.
26. Across developed and developing countries, existing food recovery and redistribution efforts involve a diverse mix of initiatives and a variety of stakeholders, including the private sector, civil society and governments. Even in countries where the government is not directly involved in food recovery and redistribution efforts, governments may play a role in shaping a more efficient environment for food recovery and redistribution systems.

27. Knowledge sharing and exchange of best practices and innovative methods between regional and national food recovery and redistribution networks would significantly add to the capacity of food waste recovery and redistribution systems in G20 members and LIDCs, building on existing social protection initiatives. G20 members utilize a diverse set of approaches that are both efficient and market-based and a concerted information dissemination effort would provide LIDCs with an array of options that could be adapted to their own national circumstances.

Action 2: Supporting human resource development, and particularly economic empowerment of rural women and rural youth, through G20-LIDCs knowledge-sharing forums on enhancing vocational training and promoting food security and nutrition safety nets

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<tbody>
<tr>
<td>G20 members:</td>
<td>FAO, IFAD, ILO and WFP already support many LIDCs on skills development for rural women and youth.</td>
</tr>
<tr>
<td>A. Support UN-led interventions such as the Inter-Agency Network on Youth Development (IANYD) and its UN System Wide Action Plan on Youth.</td>
<td>G20 members support and participate in these initiatives on a voluntary basis.</td>
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<tr>
<td>B. Request that a virtual information platform or a G20-LIDCs conference share successful experiences for skills anticipation and matching, apprenticeship and work-linked training pathways for young farmers, both female and male, and rural women, in line with market-based approaches and successful experiences on access to productive assets for youth and women.</td>
<td>Timeframe: 1-3 years</td>
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<tr>
<td>C. Establish a knowledge-sharing G20-LIDCs forum, with particular focus on women and youth, aimed at exchanging country experiences and enhancing capacity in LIDCs in developing food security and nutrition safety nets, including efficient and market-based food recovery and redistribution systems, in line with the overall need to improve sustainability of food systems.</td>
<td>Support the Social Protection Inter-Agency Cooperation Board, including through the exchange of country experiences and capacity building in LIDCs through the new knowledge sharing web gateway.</td>
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<td>Support the Secure Nutrition Knowledge Platform, in order to disseminate best examples of the most effective nutrition sensitive social protection programs.</td>
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<tr>
<td>D. Consult with the EWG to draw on consideration of the above issues in their national employment plans.</td>
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iii. **Actions to increase productivity sustainably to expand the food supply**

28. Besides support to efforts to increase productivity and production at farm level, expanding the food supply will require improvements in handling, processing, transportation, and consumer habits to reduce food losses and waste (FLW). Globally, about one third of the volume of food produced for human consumption is lost or wasted each year. Rough estimates suggest that the cost for producing food that is wasted amounts to US$750 billion each year. This amounts to 1.3 billion tonnes, enough to feed 2 billion people\(^{10}\). Aside from reducing the quantity and quality of food available along the entire food chain, FLW also has negative environmental impacts. Huge amounts of water, land, energy and other natural resources are used to produce food that no one consumes. In addition, the production of food and other activities involved in obtaining food that is eventually lost or wasted contribute to greenhouse gas emissions\(^{11}\).

29. Food loss and waste are heavily dependent upon the specific conditions in a given country. In LIDCs, food losses result from wide-ranging technical constrains in harvesting techniques, storage, transportation, processing, cooling facilities infrastructure, packaging and marketing systems. In the subsistence farming systems of poor smallholder and family farmers, quantitative losses result directly in less food being available, and therefore contribute to food insecurity. The causes of food waste in medium- and high-income countries relate mainly to consumer behaviour and to retail and distribution practices and standards.

30. FLW is a significant concern of G20 members and LIDCs, and actions to reduce both loss and waste provide an important link between the work undertaken for the G20 Agriculture Ministers Meeting that took place in Istanbul on 7-8 May 2015, and the work of the DWG. G20 Agriculture Ministers ‘invite[d] FAO together with IFPRI and other relevant international organizations to establish a platform, building on existing systems, for sharing information and experiences in measuring and reducing food loss and waste. This platform should include experiences of G20 members and other countries and also focus on low-income developing countries’\(^{12}\).

31. By building on the knowledge and expertise of G20 members and IOs and focusing on LIDCs, the G20 will provide impetus on global actions to reduce food loss and waste, contributing to the achievement of global goals. For LIDCs, the Platform will harness the knowledge and expertise of International Organizations and G20 members to enhance capacity in FLW measurement and interventions for reducing post-harvest losses (estimated in some cases at up to 40 percent of production) through the application of low-cost, innovative technologies and other measures, taking into account the CFS’s Policy Recommendations on Food Loss and Waste. Such reductions can improve food security and nutrition in LIDCs\(^{13}\).

32. The Platform could also develop FLW regional training programmes in LIDCs, given that this new focus on reducing post-harvest losses will require some additional expertise, as well as practical assistance and capacity building in LIDCs targeting food loss and waste reductions. Other possible actions could include the development of a manual defining best practices and methodologies, or the identification, design and implementation of special projects.

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Action 3: Promoting reductions of food losses and waste in G20 and LIDCs

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<tr>
<td>G20 members:</td>
<td>Request that the platform for sharing information and experiences in measuring and reducing food loss and waste also supports capacity building in LIDCs, and focuses particularly on post-harvest loss reductions through innovative low-cost technologies and practices.</td>
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<td></td>
<td>FAO, IFPRI and other interested IOs develop the platform.</td>
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<td></td>
<td>G20 members participate in the platform on a voluntary basis.</td>
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<td>Timeframe: 1-3 year focus will promote continuity, strengthen policy coherence and effectively will extend knowledge</td>
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III. Other priorities for action in implementing the G20 Food Security and Nutrition Framework

i. Additional actions to increase responsible investment in food systems

33. In developing countries, smallholder farmers face both production and price risks. Adverse weather, pests and diseases, as well as volatile prices, negatively affect farm income and influence farmers' decisions. Risk aversion hinders the adoption of new technologies and practices that may have long-term benefits for the individual farmer and for overall sustainable productivity growth. Small family farms may choose lower return crop and livestock production options over more technology and input-intensive options. The threat of shocks, either general (such as droughts) or farm-specific (such as a crop failure) increases their financial risks and makes smallholders reluctant to access credit markets – when these are available and accessible, which is not always the case – due to the consequences of an inability to repay.

34. Smallholders are rarely well-equipped to manage risks in an environment that is often characterized by fragile ecosystems, persistent poor integration into output, input, and finance markets, a high prevalence of diseases (such as HIV or malaria), or conflict. In the developing and emerging economies, risk management faces numerous challenges. Often, financial and insurance markets do not exist, or are under-developed. Additionally, the agricultural sector includes many geographically dispersed, asset-poor, smallholders with limited access to information, knowledge and markets. This leads to high operational costs for risk management programs. Women smallholders typically fare the worst, as their access to assets, finance, extension or other risk management or coping instruments is even more limited than for other smallholders.

35. Innovative financial instruments are important to mitigate and manage agricultural risks. The work of the WFP-IFAD Weather Risk Management Facility is an example of a systematic approach to taking stock of success factors for weather index insurance programmes, defining the complementary roles of public and private sector actors, and identifying the preconditions for scaling up successful models. The African Risk Capacity (ARC), established as a Specialized Agency of the African Union (AU), helps Member States improve their capacities to better plan, prepare and respond to extreme weather events and natural disasters, thereby protecting the food security of their vulnerable populations.

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14 IFAD and WFP (2010), The potential for scale and sustainability in weather index insurance for agriculture and rural livelihoods, Rome, May.
15 http://www.africanriskcapacity.org/about/vision-and-mission
36. The Platform for Agricultural Risk Management (PARM) – a four year multi-donor partnership between developing countries and development partners initiated by the G20 in 2011– aims to make risk management an integral part of agricultural policies and agricultural investment planning. It is coordinated, hosted and managed by IFAD with active participation of the World Bank Group, FAO and WFP, as well as other organizations and initiatives (including those mentioned in the previous paragraph). To date, PARM has started its operations implementation in nine African countries, while several G20 members participate in this initiative (European Commission, France - AFD, Italy) by providing financial support.

37. Besides continuing the implementation of PARM (including regular briefings by IFAD to the DWG), it is proposed that a package of policy-relevant lessons of broad application are derived from PARM activities over the next two years and shared with the DWG during 2016-17 (for instance at a dedicated G20 forum on risk management in agriculture, involving LIDCs). These lessons would address, in particular, the question of how to design policy and investment strategies that reduce or help manage risks related to investment by smallholders (women and men) and by agri-food SMEs. In this context, the risk management functions of social protection systems at the level of smallholder households and of government response capacity after externally-induced shocks will be tackled. Such lessons would be intended for LIDCs and G20 activities in support of LIDCs for the promotion of a better investment climate in the agriculture and food sectors by lowering or better managing risks related to rural and agricultural investment by smallholder farmers and rural SMEs. This action would also provide the basis for increased and broader G20 support to scale up the activities of the Platform to other LIDCs in a second phase, possibly to better focus PARM activities and to enrich the set of available policy options generated in the context of PARM.

**Action 4: Improving the investment climate in LIDCs agriculture by supporting the Platform for Agricultural Risk Management (PARM)**

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<tr>
<td>G20 members:</td>
<td>IFAD and partner IOs, currently in close partnership with NEPAD and participating countries. SPIAC-B will be requested to provide support regarding the role of social protection in risk management.</td>
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<tr>
<td>Request that PARM derive policy-related lessons on policy formulation and investment strategies that reduce or help manage risks related to investment by smallholders (women and men) and by agri-food SMEs.</td>
<td>Timeframe: 2016-17 for the package of policy lessons and proposed G20 forum, in the context of completion of PARM’s current term of 4 years, possibly to be extended on the basis of experience and lessons learned during the current phase and subject to an assessment of achievements.</td>
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ii. Additional actions to increase productivity sustainably to expand the food supply

38. In developing countries, smallholder and family farmers (with women farmers playing an important role) produce the bulk of consumed food—an estimated 60 to 80 percent. Increasing agricultural productivity in LIDCs with large small-scale agricultural sectors is crucial; farmers become more competitive and their income increases. With well-functioning rural labour markets, the demand for labour in rural areas increases, generating jobs for the poor and raising the unskilled labour wage rate. Rural household members diversify their income sources by engaging in better-paying off-farm work, contributing towards food security and nutrition, poverty reduction and growth. Increased productivity of smallholders and advances in rural development and economic growth are inextricably linked.

39. Although innovations can drive productivity growth, their full potential is not being realized by many of the world’s farmers due to suboptimal use of inputs and insufficient adoption of many already existing technologies. In many LIDCs—particularly within Sub-Saharan Africa—farmers of primary food crops achieve yields that are only 10-30 percent of potential yields. Closing the gap between realized and potential yields would promote productivity growth and bring about a substantial increase in production and incomes. The role of effective advisory and extension services is important in this respect.

40. R&D and extension services continue to be centralized at global, regional and national levels, but innovation is increasingly taking place in interactive and dynamic processes involving a diversity of public and private actors—including farmers. The CGIAR system is uniquely well-placed at the global level to undertake scientific research and development, in partnership with national and regional research institutions and farmers’ organizations, and is crucial in responding effectively and efficiently to the challenge of improving small family farm productivity, including specific attention to the needs of women farmers.

41. At the same time there is a need to improve the linkages between international R&D providers and developing countries in order to more effectively share knowledge, identify and prioritize needs, introduce new technologies and deliver research results and innovation to the final beneficiaries. Good co-ordination with international, regional and sub-regional research networks is important for countries to develop their own national research and innovation systems. Improvements in the effectiveness of international R&D spillovers can also be achieved by mechanisms such as the G20 Tropical Agricultural Platform initiative (TAP) and regional research collaboration.

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17 http://www.tropagplatform.org
42. TAP, housed in FAO, aims to promote agricultural innovation and capacity development in the Least Developed Countries (LDCs)—more than 90 percent of which are located at least partly within the Tropics. TAP has over 40 members, including many R&D and development institutes from G20 countries. It acts as a multilateral facilitation mechanism that enables more effective capacity development interventions in agricultural innovation systems (AIS). TAP’s Action Plan includes a Common Framework on Capacity Development for Agricultural Innovation Systems with guidelines and tools on needs assessment, monitoring, and evaluation that assists in improving the coordination of interventions on AIS.

43. It also offers a global information system – TAPipedia – for innovation outputs, success stories, socioeconomic impacts, lessons learned, and analyses of impacts, which will use virtual collaboration tools and media to promote information on innovative approaches in agricultural research and extension. TAP, together with the support from G20 R&D institutes, has already engaged in fund raising and secured resources to implement its Action Plan. G20 members can take further action and encourage their R&D institutes to continue contributing towards implementation. Adopting TAP’s Common Framework will foster better coherence and greater impact of capacity development for agricultural innovation systems in tropical countries.

Action 5: Promoting smallholder productivity growth in LIDCs through the Tropical Agricultural Platform

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<td>G20 members:</td>
<td>G20 R&amp;D institutes, relevant Ministries, IOs and other stakeholders in TAP</td>
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<tr>
<td>Contribute towards TAP’s implementation by encouraging their agricultural R&amp;D and extension institutes to:</td>
<td>Timeframe: 1-3 year focus will promote continuity, strengthen policy coherence and will effectively extend knowledge</td>
</tr>
<tr>
<td>– support and promote TAP’s Common Framework for Capacity Development for Agricultural Innovation Systems;</td>
<td></td>
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<tr>
<td>– encourage the use of TAP’s guidelines and toolbox for needs-assessment, design, monitoring and evaluation in capacity development interventions by G20 members in LIDCs;</td>
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<tr>
<td>– contribute to TAPipedia with innovative tools, lessons learned and impact analyses with a particular focus on adaptation to climate change</td>
<td></td>
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</tbody>
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19 The European Commission (EC) supports the implementation of the TAP Action Plan through the project “Capacity Development for Agricultural Innovation Systems (CDAIS)”, jointly implemented by FAO and TAP Partner AGRINATURA (EC funding of €12 M) from 2015-2018.
44. Within a broader economic, social and environmental context, the Framework on Agricultural Productivity, developed by OECD, analyses the full range of policy incentives and disincentives that might impact agricultural productivity growth and sustainable use of land, water and biodiversity resources\(^20\). The Framework can assess agricultural knowledge and innovation institutions and examine the respective roles for the government and the private sector in strengthening innovation systems and facilitating adoption. The Framework has already been applied in Brazil, Australia and Canada, while current work also includes developing countries. Adapting to the needs of, and applying the Framework to countries at varying stages of development, including LIDCs, on a voluntary basis will help promote a dialogue in the DWG. This dialogue can cover a wide range of public policies that involve agricultural sustainable development through rural economic growth, the creation of new jobs throughout the value chain, and raising incomes in rural areas, thereby securing social inclusion while ensuring adaptation to climate change.

**Action 6: Promoting smallholder productivity growth in LIDCs through the G20 Commissioned Framework on Agricultural Productivity**

<table>
<thead>
<tr>
<th>Implementation</th>
<th>Responsibilities and timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>G20 members:</td>
<td>OECD and other IOs (in close cooperation with G20 members) adapt the Productivity Framework for potential application on a voluntary basis to a broader set of G20 members and other countries.</td>
</tr>
<tr>
<td>A. Encourage the adaptation of the Framework on Agricultural Productivity to LIDCs; and</td>
<td>Timeframe: 1-3 year focus will promote continuity, strengthen policy coherence and effectively will extend knowledge.</td>
</tr>
<tr>
<td>B. Support the implementation of the G20 Commissioned Framework on Agricultural Productivity on LIDCs to provide incentives to increased productivity growth through sustainable use of land, water and other natural resources and identify the best policy options.</td>
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</table>

iii. **Mainstreaming food security and nutrition into the wider DWG and G20 agendas**

45. The benefits of mainstreaming food security across different work areas of the DWG and of the G20 more broadly can be significant. In LIDCs, for instance, limited access to financial services can severely constrain smallholder investment, especially if combined with market failures such as lack of access to productive assets (e.g. land), information, and markets. Therefore, linkages to the financial inclusion agenda of the G20 are critical. Similarly, social protection can help many escape the poverty traps that prevent them from building assets and investing. Improved access to education and skills development opportunities can also provide a pathway out of poverty. This makes the DWG’s work areas not only complementary in nature, but also mutually reinforcing.

46. Mainstreaming food security and nutrition in the Financial Inclusion work of the DWG, as well as in the work of Global Partnership for Financial Inclusion (GPFI), would be one concrete measure in this area. There is a need to have a broader scope and assess government policies, the types of institutions involved and lessons learned from various countries on how to promote agricultural and agri-food finance. Improvements in access to finance for farmers and rural and agricultural SMEs would be more effective if considered within the framework and developments of broader policies, regulations and institutions of the overall financial system in a country, as well as taking into consideration financial flows linking LIDCs to other countries (notably G20 members).

47. There is great potential value added in conducting a review of the institutional, regulatory and policy environments affecting agricultural and rural finance in G20 members and in LIDCs to ensure that it is directly or indirectly supportive of inclusive investment by micro, small and medium enterprises (MSMEs) in the agri-food sector. In LIDCs in particular, rural and agricultural MSME finance is critical to rural job creation and to helping develop sustainable value chains, including boosting investment in agricultural productivity, processing, storage, local infrastructure and food loss and waste reducing technologies. Such a review examining the broader financial systems in target countries would also assess linkages with relevant sources of finance—including domestic, transnational or international sources, whether public or private.

48. The goal of undertaking this review would be to identify effective approaches to promoting an institutional and policy environment for agri-food MSME finance that can be scaled up in LIDCs, as well as to identify possible obstacles or areas where policy coherence for development by G20 Members is needed to support such an enabling environment in LIDCs. Such an action was recommended at the July 2014 workshop held under the Australian Presidency in Rome as a precursor to the development of the G20 Food Security and Nutrition Framework, and can lead to the preparation of a toolkit with relevance to different country contexts, to be developed after a dedicated forum on agri-food MSME finance to be held in late 2016/early 2017.

49. The proposed review could build on previous work, undertaken by the GPFI and led by the International Finance Corporation (IFC), as well as the ongoing work by the SME finance group related to agri-finance [taking note of the planned GPFI activities in 2015 related to agricultural finance, including work by the World Bank Group, Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) and the Consultative Group to Assist the Poor (CGAP), to be presented at a workshop in September 2015]. Considering the importance of value chain finance in the agricultural sector, and the intention to include financing mechanisms among the elements of conducive policy environments for inclusive business models or inclusive business activities, there could also be cross-fertilization between this review and the preparation of the G20 Inclusive Business Framework.

**Action 7: Improving the institutional and policy environment for agri-finance in LIDCs – Financial Inclusion work stream**

<table>
<thead>
<tr>
<th>Implementation</th>
<th>Responsibilities and timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>G20 members:</td>
<td>Jointly conducted by IFAD and relevant IOs in collaboration with the GPFI SME subgroup, reporting to the DWG and in line with GPFI agenda.</td>
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<td></td>
<td>Timeframe: 2-3 years</td>
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50. Remittances to developing countries totaled approximately US$414 billion in 2013. These substantial financial flows contribute significantly to rural incomes and community investment. By 2018, cumulative remittances to developing countries will surpass US$2.5 trillion. Remittances play an important role, especially in rural areas of developing countries, where limited access to financial and credit markets hinders rural employment and small-scale enterprise development. Remittances provide liquidity to rural households for on-farm investments, but also for improving food security, health and education with significant effects for rural growth.

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51. Presently, the knowledge base regarding how remittances can most efficiently be used to maximize growth in rural areas is limited. Leveraging remittances to promote financial inclusion in rural areas and maximize their impact is crucial. Countries developing and operationalizing their plans have to ensure that policy options with proven impact on facilitating financial inclusion—particularly in rural areas and in the food and agriculture sectors—are considered. Remittances and financial inclusion can improve livelihoods, reduce rural poverty and promote investment possibilities in LIDCs whenever remittance recipients are located in the latter.

52. A study of the linkages between remittances and financial inclusion is currently underway by IFAD and the World Bank Group under the GPFI. Building on the results and recommendations of this study, it is proposed that measures that may strengthen the impact of G20 member plans in facilitating the flow of remittances so that food security and nutrition are enhanced be identified by the IOs and provided as an input to be used on a voluntary basis by G20 members. This study could also be used in the context of joint initiatives with LIDCs to facilitate remittance flows and empower both senders and recipients of remittances to invest in both raising their incomes and productivity, as well as improving their food security and nutrition.

**Action 8: Promoting a food security and nutrition lens on country plans to facilitate remittances – Financial Inclusion work stream**

<table>
<thead>
<tr>
<th>Implementation</th>
<th>Responsibilities and timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>G20 members: Request that IOs build on work undertaken by IFAD and the World Bank Group under the GPFI, and identify measures that strengthen the impact of G20 country plans in facilitating remittance flows so that food security and nutrition are enhanced. Such recommendations can be used on a voluntary basis by G20 members.</td>
<td>IFAD, GPFI Markets and Payments System Subgroup, and other interested IOs. Timeframe: 2-3 years (after completion of the current study under the GPFI)</td>
</tr>
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53. There is a need for successful agribusiness models and policy recommendations specifically related to developing inclusive business models in the broader context of promoting responsible investment (particularly in line with the CFS-RAI, as already noted) to be researched, documented, and highlighted. These models should emphasize issues related to youth and gender, and also explore the impact of such models on food security and nutrition. For the G20, this would represent a practical way to mainstream food security and nutrition into the work of the DWG, in close dialogue with the SME finance group in the GPFI while also adding value to efforts focusing on developing inclusive business models in line with global norms.

54. Inclusive business models and practices, along with inclusive markets, lead to the creation of employment and entrepreneurial income opportunities for low-income producers, processors, traders, households and communities—either directly in the businesses themselves, or through spillovers to the entire food value chain, from production through food processing and distribution to retailing and consumption. It therefore contributes to the G20’s overall growth objectives and supports efforts to lift investment, increase trade and competition, boost employment and quality jobs, and reduce income inequality and the gender gap. Inclusive business models and responsible investment patterns can and should contribute to making food systems more sustainable and inclusive, thereby contributing to progress in food security and nutrition.
Action 9: Promoting food security and nutrition through inclusive business models – Inclusive Business priority area

<table>
<thead>
<tr>
<th>Implementation</th>
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</thead>
<tbody>
<tr>
<td>G20 members:</td>
<td>IFAD and other interested IOs (potentially including the World Bank Group, UNDP, OECD and ILO, which are involved in the Inclusive Business priority area).</td>
</tr>
<tr>
<td>Encourage relevant IOs to take stock of existing and promising methodologies to leverage private investment in inclusive agricultural and agri-food markets or inclusive business models in the agri-food sector, and to identify the enabling policy and financing conditions for such models to be scaled up in LIDCs and elsewhere.</td>
<td>Timeframe: 1-2 years</td>
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iv. The Role of the G20 in the global food security and nutrition architecture: cross-cutting actions

55. The latest estimates indicate that global hunger reduction continues. About 795 million people are estimated to have been chronically undernourished in 2014–16, down 167 million over the last decade, and 216 million lower than in 1990–92. In the same period, the prevalence of undernourishment has fallen from 18.6 to 10.9 percent globally and from 23.3 to 12.9 percent for developing countries.\(^\text{22}\)

56. Since 2011, the G20 has had a specific agenda on food security, an area where the global governance architecture, in particular the specialized UN agencies (FAO, IFAD, and WFP), international organizations such as IFPRI and the reformed Committee on World Food Security (CFS), work together in a coordinated way to ensure food security and nutrition for all.\(^\text{23}\)

57. The G20 has unique strengths as a coordinating forum, involving both the emerging and advanced countries at the highest level to focus on issues of global concern. G20 members can directly influence the state of the world’s food insecurity. They produce up to 80 percent of the world’s cereals and account for a similar percentage of global exports. Many of the world’s undernourished live in the G20 countries. By identifying important food security and nutrition issues and challenges and supporting global initiatives, the G20 can respond to international concerns and provide political impetus for the international community to act.\(^\text{24}\)

58. A number of such initiatives can contribute towards better coordination of actions that promote food security and nutrition globally. The Global Strategic Framework for Food Security and Nutrition (GSF) provides practical guidance and recommendations in support of global, regional and country-led strategies, policies and actions to prevent future food crises, increase investments, eliminate hunger and ensure food security and nutrition for all human beings. These recommendations are validated by the wide ownership, participation and consultation afforded by the CFS.\(^\text{23}\)


59. The Zero Hunger Challenge, launched by the UN Secretary-General at Rio+20 Conference in June 2012, aims to eliminate hunger in our lifetime. The Challenge is a global call for action to achieve zero stunted children less than 2 years of age, 100 percent access to adequate food all year round, sustainability of all food systems, 100 percent increase in smallholder productivity and income, and zero loss or waste of food. The Zero Hunger Challenge encourages participation by a range of organizations, social movements and people around a common vision. It promotes effective strategies, more and better investments and increased development cooperation, in line with existing national and international agreements.

60. Adequate nutrition is an essential component of human development, with implications for both productivity and growth. However, the extent of global undernutrition remains large. The collective costs of malnutrition (hunger, micronutrient deficiencies, overweight and obesity) are estimated at between US$2.8 and US$3.5 trillion per year—equivalent to 4-5 percent of global GDP\textsuperscript{24}. The Scaling Up Nutrition Movement (SUN) and the Second International Conference on Nutrition (ICN2) both provide strategies and frameworks through which inadequate nutrition can be confronted.

61. These frameworks embrace both “nutrition–specific interventions” (including vitamin and mineral supplements for pregnant women or young children, breast-feeding promotion, nutrient-dense foods for young children, fortification of staple foods and nutrition education) and “nutrition-sensitive programmes” in a range of sectors, including agriculture, health, social protection and poverty reduction, employment, education and emergency relief. Actively encouraging such direct nutrition interventions, in conjunction with the incorporation of nutrition in relevant policies, is important. Continued support to the developing country-led SUN Movement and re-affirming the ICN2 Rome Declaration on Nutrition could pay significant dividends with respect to food security and nutrition and growth.

62. The Sustainable Development Goals (SDGs), to be agreed and adopted during the United Nations Summit in September 2015, embrace the global priorities of all the aforementioned initiatives. Developing countries have made substantial progress towards the achievement of Millennium Development Goal (MDG) 1, target c: to halve, between 1990 and 2015, the proportion of people who suffer from hunger\textsuperscript{25}. Nevertheless, progress varies across countries and regions. Reflecting the urgency for sustainable development, and taking into account lessons from the MDGs, the SDGs will catalyze actions and promote awareness, political focus and accountability for the realization of sustainable development goals and targets. Poverty and hunger eradication remain the greatest global challenges facing the world today.

**Action 10: Providing support and impetus to global initiatives on food security and nutrition**

<table>
<thead>
<tr>
<th>G20 members:</th>
<th>Responsibilities and timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Support the inter-governmental dialogues on the adoption of global Sustainable Development Goals and the Post-2015 Development Agenda in the United Nations General Assembly.</td>
<td>G20 members</td>
</tr>
<tr>
<td>B. Affirm their commitment to the global partnership for sustainable development, as this will be set out in the new financing for development framework and the Sustainable Development Goals.</td>
<td>Timeframe: Multi-year focus will promote continuity and thus strengthen policy coherence.</td>
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</tbody>
</table>

\textsuperscript{24} FAO (2014). ICN2 Second International Conference on Nutrition, November 19-21, Rome.

\textsuperscript{25} FAO, IFAD, WFP (2015). The State of Food Insecurity in the World (SOFI), Rome.
63. For the G20 – a forum for policy coherence and coordination of collective action – initiatives in food security and nutrition cannot as easily correspond to actionable policies as in the areas of global economy and finance. The challenge for the G20 in food security and nutrition is to identify modes of action that can enhance coherence and strengthen collective action. Development cooperation provides an avenue for the G20 to have direct impacts on LIDCs. Independent of the work and priorities of the G20 as a group, members will continue to engage in their development commitments. These development efforts are both welcome and necessary, but the G20 can also leverage development cooperation as a group and increase the effectiveness of development assistance in improving food security and nutrition in LIDCs.

64. There is a great need to boost financial resources dedicated to food security and nutrition, as well as to sustainable agriculture. The contribution of domestic resources—an issue covered by the DWG—is increasingly recognized, while Official Development Assistance (ODA) flows are changing. Spending by non-traditional donors in South-South and Triangular cooperation is increasing. The Third International Conference on Financing for Development (to be held in Addis Ababa, 13-16 July 2015) will be pivotal. The landscape for development finance is evolving, and a stronger convergence amongst donors and other partners around shared objectives and concrete results is essential for increasing the diversity of resources and their effectiveness.

65. The G20, as a group, can underpin convergence in development cooperation by sharing knowledge and information on successful approaches and best practices for the benefit of application by other development partners. Such knowledge-sharing can help in identifying priorities in LIDCs, and addressing investment gaps in food security and nutrition, agriculture and social protection, as well as innovative use of development assistance and South-South and Triangular cooperation methods. The value added of greater convergence in development cooperation through knowledge sharing is also expected to grow in the context of joint international efforts towards the achievement of a universal post-2015 agenda including ambitious targets on food security, nutrition, and sustainable agriculture.

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**Action 11: Promoting effective development cooperation in support to sustainable agriculture and food systems and social protection in LIDCs**

<table>
<thead>
<tr>
<th>Implementation</th>
<th>Responsibilities and timeframe</th>
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<tbody>
<tr>
<td><strong>G20 members:</strong></td>
<td><strong>IOs work in close cooperation with G20 members, on a voluntary basis, to undertake this effort, consistent with the G20’s comparative advantage. Knowledge-sharing could be realized through annual workshops, or through more cost-effective means, such as questionnaires or webinars, and follow-up assessments. This action can target selected LIDCs, and effectively integrate them in the process.</strong></td>
</tr>
</tbody>
</table>
| A. Deepen and broaden development cooperation (development assistance, South-South and Triangular cooperation) on food security, nutrition and sustainable agriculture by promoting knowledge-sharing through workshops/questionnaires, and engage in dialogue on:  
  - how development cooperation involving G20 members addresses food security, nutrition and sustainable agriculture priorities in LIDCs;  
  - how current, diverse and innovative approaches to development cooperation can sustain a more ambitious agenda related to food security, nutrition and sustainable agriculture as LIDCs develop their strategies to achieve the future SDGs; and,  
  - how approaches to development cooperation can facilitate and leverage diverse sources of finance (including domestic resources, public-private partnerships, philanthropic institutions and civil society) that support inclusive and sustainable agricultural growth and strengthen social protection mechanisms. | This action will result in exchanging experiences on the variety of approaches employed, drawing valuable lessons, including on flexible financial mechanisms to effectively link humanitarian assistance with long-term development. |
| B. Continue support to annual Meeting of Agricultural Chief Scientists (MACS). | Timeframe: Medium-term action will promote continuity and thus strengthen coherence. |