Sustainable food systems can help break the intergenerational cycle of poverty and malnutrition, address inequality, alleviate environmental and climate change impacts, and strengthen resistance to, and recovery from, shocks. Yet, too many of the world's food systems are fragile, and susceptible to breakdown, as the Covid-19 pandemic has made clear. Transforming food systems to make them more inclusive, sustainable and resilient is key to making progress towards all 2030 Sustainable Development Goals (SDGs). Food systems comprise the entire value chain of a country, so a value-chain approach facilitates measurement, analysis and improvement of food systems performance.

UNIDO aims to help countries build sustainable, inclusive value chains and market systems which successfully link producers to processing, value addition and end-markets. This approach promotes the development of agri-food value chains that are not only economically, but also socially and environmentally, sustainable, and, equally important, resilient. It brings together stakeholders responsible for greening value chains, with a special focus on how public policies and business strategies can better support sustainable use of natural resources and climate-resilient food systems. Linking small and medium agricultural producers and processors to end-markets through value addition, is an effective basis for industrialization and generation of decent employment, in particular for rural women and youth. Increasing smallholder inclusion in the value chain and focusing on female and youth participation, promotes empowerment of rural women and youth. Strengthening the adaptive capacities of food systems bolsters linkages to input and output markets, thereby allowing the systems to more easily withstand and recover from shocks.

UNIDO has developed a rigorous methodology and uses evidence-based tools to comprehensively analyze value chains, covering both functionality and sustainability. This analysis informs upgrading strategies and implementation plans designed to foster enabling environments and related good governance, efficient processing, and appropriate financing models. During implementation, UNIDO assists with capacity-building to reinforce sustainable food-value-chain development, promotes public-private partnerships, and supports blended financing mechanisms wherever possible.

Developing sustainable value chains to support food systems transformation

**CONTEXT**

Sustainable food systems can help break the intergenerational cycle of poverty and malnutrition, address inequality, alleviate environmental and climate change impacts, and strengthen resistance to, and recovery from, shocks. Yet, too many of the world's food systems are fragile, and susceptible to breakdown, as the Covid-19 pandemic has made clear. Transforming food systems to make them more inclusive, sustainable and resilient is key to making progress towards all 2030 Sustainable Development Goals (SDGs). Food systems comprise the entire value chain of a country, so a value-chain approach facilitates measurement, analysis and improvement of food systems performance.

**APPROACH**

UNIDO aims to help countries build sustainable, inclusive value chains and market systems which successfully link producers to processing, value addition and end-markets. This approach promotes the development of agri-food value chains that are not only economically, but also socially and environmentally, sustainable, and, equally important, resilient. It brings together stakeholders responsible for greening value chains, with a special focus on how public policies and business strategies can better support sustainable use of natural resources and climate-resilient food systems. Linking small and medium agricultural producers and processors to end-markets through value addition, is an effective basis for industrialization and generation of decent employment, in particular for rural women and youth. Increasing smallholder inclusion in the value chain and focusing on female and youth participation, promotes empowerment of rural women and youth. Strengthening the adaptive capacities of food systems bolsters linkages to input and output markets, thereby allowing the systems to more easily withstand and recover from shocks.

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**FOCUS AREAS**

- Value chains
- Food systems development
- Green value chains
- Blended financing using SDG-compliant investments

**PARTNERS**

Other UN agencies, local and international value-chain participants, international financial institutions and private investors, non-governmental organizations, research centres and local institutions, regional bodies, development banks and others

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The Accelerator for Agriculture and Agro-industry Development and Innovation Plus (3ADI+)

3ADI+ is a global development programme, led by UNIDO and the Food and Agriculture Organization of the United Nations (FAO), to sustainably transform food value chains and systems via mobilization and de-risking of SDG-aligned investments through a variety of financial instruments, and technical assistance. In-depth analysis and proactive public-private dialogue will generate policy and institutional reforms enhancing access to safe, nutritious food, fostering natural resource management, developing value chains, and reducing food loss and waste. SDG-compliant investments will flow into agro-industrial production, boosting employment. Entire green value chains will emerge – reducing biodiversity loss, pollution, water use, soil degradation and greenhouse gas emissions. And food value chain functionality will be protected from the adverse effects of pandemics, conflict and other shocks and stresses.

“Many of our partners, both traditional and emerging, are keen to invest in the growing sector of agribusiness – because it’s good development business. The point is not only to identify markets, but to ensure these markets attract investments for sustainable food value chains, and this is where 3ADI+ can make a difference.”

Dejene Tezera,
Agribusiness Development Department, UNIDO