UNITED NATIONS FOOD SYSTEMS COORDINATION HUB

JOINT SDG FUND



HARNESSING FOOD SYSTEMS TRANSFORMATION FOR CLIMATE, ENVIRONMENT AND BIODIVERSITY GOALS

How the Joint SDG Fund's Food Systems Window is advancing countries' climate, biodiversity and land objectives through integrated investment



Key messages

- Food connects the climate, biodiversity and land agendas and provides a practical entry point for advancing them together. Food production depends on well-functioning ecosystems including healthy land, rich biodiversity and a stable climate, which in turn are strongly impacted by the way food is produced and consumed. Sustainable food systems - extending beyond agricultural production to how food is stored, processed, distributed, purchased and consumed - open a broad range of solutions for climate, biodiversity and land action.

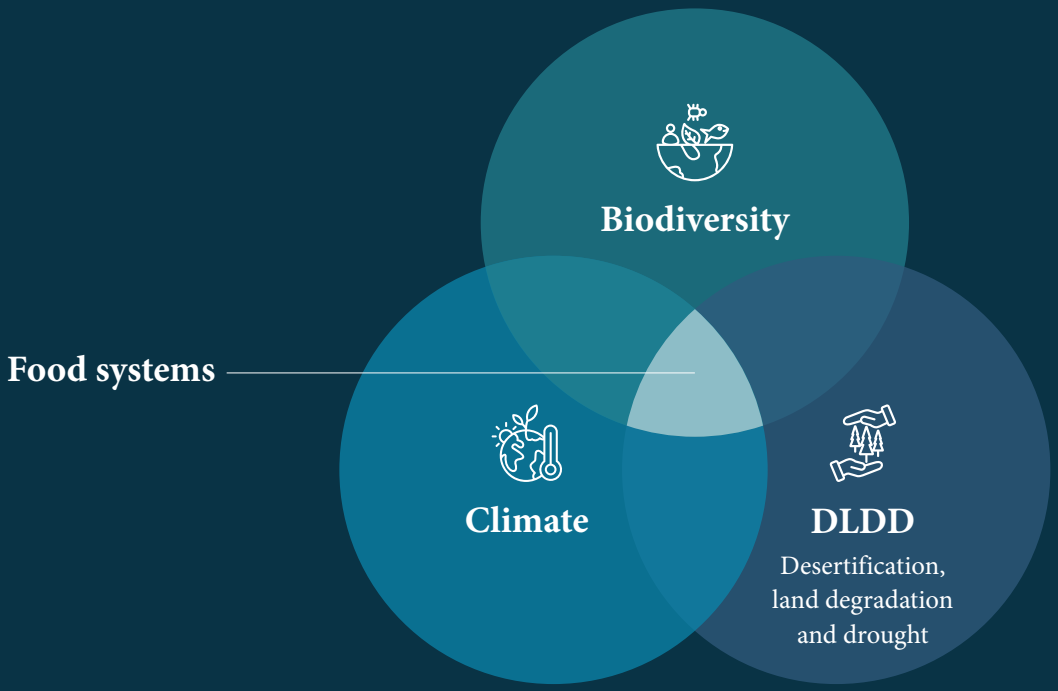
- At the 2021 UN Food Systems Summit, over 165 countries committed to transitioning towards healthier, more inclusive, resilient and sustainable food systems that deliver for people, the planet and shared prosperity in equal measures.

- Today, a hundred and thirty five National Food Systems Transformation Pathways aim to converge national agricultural, health, employment, social, climate, biodiversity and land objectives behind a coherent national vision, allowing governments and food system actors to identify together synergies, manage trade-offs and make more effective use of limited resources.



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Food Systems and the Rio Conventions

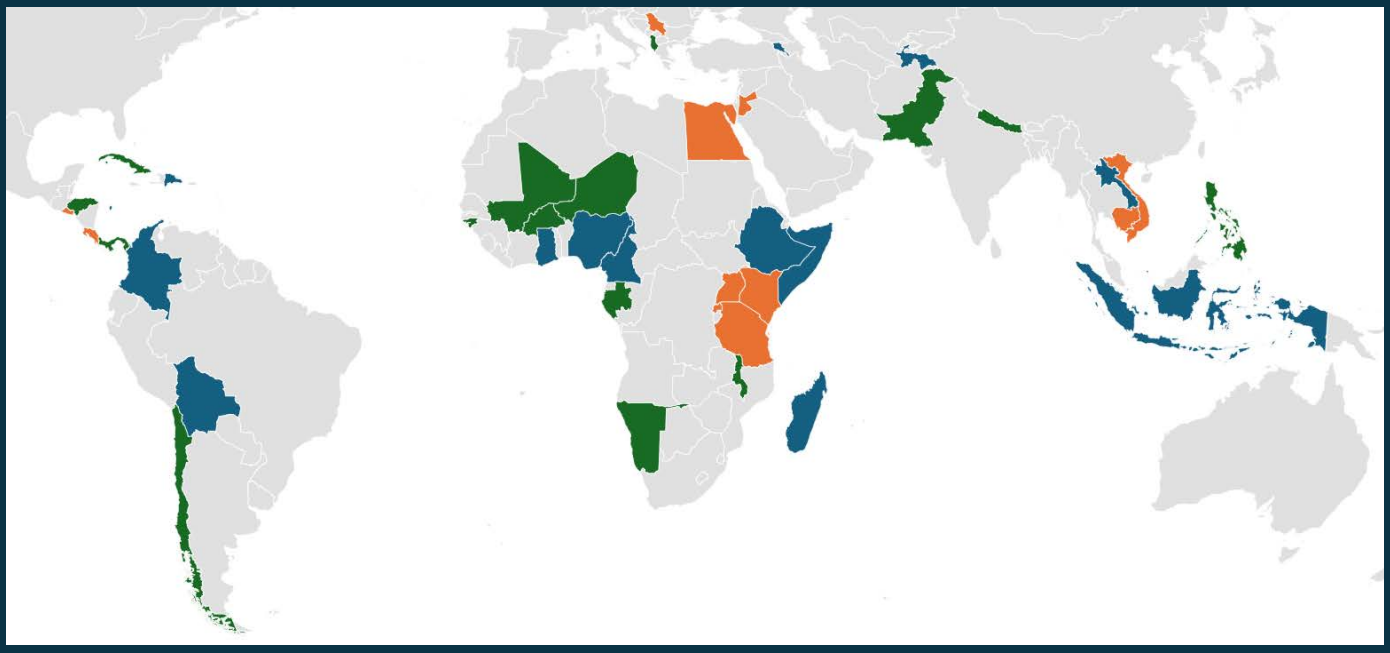


- Currently, only 0.8 percent of climate finance reaches smallholders and local communities, despite being the backbone of food systems. Relatively modest investments can unlock change at scale, but finance must reach the people who make it happen.

- Created jointly by the Joint SDG Fund and the UN Food Systems Coordination Hub, the Food Systems Window accelerates government-led implementation of National Pathways by bringing together integrated UN system and national expertise, and catalyzes more and better financing for the 2030 Agenda. Moving beyond fragmented projects, governments, the UN development system and financing partners work together through Joint Programmes to turn policy into integrated solutions, while advancing synergies across sectors. The Window's initial $32 million investment is projected to catalyze and promote more than $300million, a ratio of approximately 1:9. By absorbing early preparation costs and risks, and developing capacity across stakeholders, it offers climate, biodiversity and land funds, development banks, private investors and governments a pipeline of country-owned, investment-ready opportunities that reach the most vulnerable and marginalized communities.

- Synergising to other SDG transitions such as jobs, climate and environment, digitalization or eduction, the Joint SDG Fund Food Systems Window is making integrated country-level delivery the new normal.

Overview of the Food Systems Window and related Joint Programmes



Food Systems Window

SEED

Cambodia
Costa Rica
Egypt
El Salvador
Jordan
Kenya
Rwanda
Samoa
Serbia
Tanzania
Uganda
Viet Nam

High Impact (1st round)

Bolivia
Ethiopia
Nigeria
Somalia
Tajikistan
Timor-Leste

High Impact (2nd round)

Cameroon
Colombia
Dominican Rep.
Jordan
Lao PDR
Madagascar
Armenia
Ghana
Indonesia
Kenya
Rwanda

Other funding tracks with a focus on food systems

Albania (Digitalization)
Rwanda (Digitalization)
Tanzania (Digitalization)
Malawi (Social Protection, Jobs)
Namibia (Social Protection, Jobs)
Central Sahel (BKF, Mali, Niger)
Cuba (Capacities, IPC)
Gabon (IPC)
Guinea-Bissau (IPC)
Pakistan (IPC)
Panama (IPC)
Chile (Localization)
Honduras (Localization)
Jordan (Localization)
Nepal (Localization)
Philippines (Localization)
Tanzania (Localization)

SECTION 1

Introduction



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Countries are increasingly seeking to advance climate, biodiversity, land, food security and nutrition objectives in a more integrated manner. Commitments under the three Rio Conventions[1], alongside Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), National Biodiversity Strategies and Action Plans (NBSAPs), land restoration commitments and National Food Systems Transformation Pathways, reflect a growing degree of alignment around shared priorities and interventions. This convergence creates an opportunity to pursue multiple objectives through more coherent policies, institutions, investments and implementation approaches.

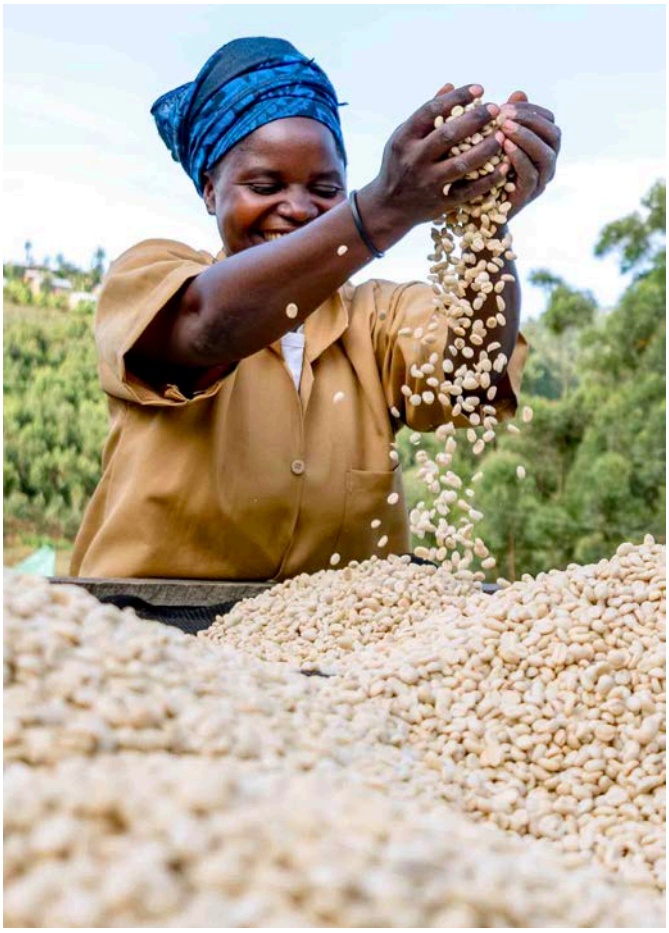
Food systems provide a practical platform for realizing this opportunity. Climate, biodiversity and land objectives converge across the way food is produced, processed, distributed and consumed, creating opportunities to pursue multiple commitments through the same policies, institutions, investments and delivery systems. As countries seek to operationalize aligned national priorities, food systems offer an entry point for reducing fragmentation, strengthening coherence and generating environmental, social and economic benefits through integrated action.

At the same time, experience across countries highlights that convergence of priorities alone is not sufficient to deliver results at scale. Translating aligned commitments into implementation requires a sequence of mutually reinforcing actions that connect policy alignment, institutional coordination, evidence generation, multi-stakeholder partnerships, integrated delivery models, investment readiness and financing. These functions are often dispersed across sectors, institutions and funding streams, despite collectively creating the enabling environment needed to move from commitments to

1 The United Nations Framework Convention on Climate Change (UNFCCC), the Convention on Biological Diversity (CBD), and the United Nations Convention to Combat Desertification (UNCCD).

implementation and investment. Strengthening this enabling environment is critical not only for implementation, but also for mobilizing and deploying larger volumes of public, private, climate and nature finance effectively.

The Joint SDG Fund's Food Systems Window was established to support this transition. Across 29 Joint Programmes in 26 countries, the Window has helped governments strengthen the policy, institutional and financial foundations required to translate food systems, climate, biodiversity and land priorities into coherent implementation pathways and investable opportunities. In doing so, it provides practical examples of how aligned commitments can be translated into coordinated action, investment pipelines and delivery mechanisms capable of attracting and deploying finance at greater scale.



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The portfolio also demonstrates the value of extending implementation and investment efforts across the food system. While climate commitments and finance remain concentrated on agricultural production, important opportunities exist in post-harvest systems, processing, distribution, food loss and waste reduction, food environments, public procurement, diets and nutrition. These dimensions can advance climate, biodiversity, land, nutrition and livelihood objectives simultaneously while expanding the pipeline of investable opportunities and helping sustain environmental gains across the wider food system.

Leveraging the Resident Coordinator system and UN Country Teams, the Joint SDG Fund demonstrates how the complementary expertise of the UN system can be brought together to support governments in aligning policy, technical and financing support around nationally owned priorities and implementation processes. Complementary initiatives, including **Climate Promise: Forward**, the **UN Food Systems Coordination Hub's Convergence Initiative**, and reforms under UN80, provide additional opportunities to strengthen coordination, connect global commitments with country-level implementation, and support more coherent delivery across climate, biodiversity, land and food systems agendas.

This brief examines how the Joint SDG Fund's Food Systems Window is helping countries translate convergence into implementation by strengthening enabling environments, supporting investment readiness, and advancing integrated approaches that connect food systems transformation with climate, biodiversity and land objectives.

Creating Enabling Conditions for Scale and Integration: A Sequenced Approach

1

Aligned National Priorities and Frameworks

- Nationally Determined Contributions (NDCs)
- National Adaptation Plans (NAPs)
- National Biodiversity Strategy and Action Plan (NBSAPs)
- National Food Systems Transformation Pathways
- Convergence Action Blueprints

2

Coherent Policies and Multisectoral Governance

- National and subnational coordination
- Evidence-based / assessments / reviews
- Institutional capacity building

3

Integrated Territorial Interventions

- Pilots and delivery systems
- Strengthened producers' organizations and MSMEs
- Public programmes

4

Investment Readiness and Financial Mechanisms

- Business development
- Investment-ready pipelines
- Guarantees, credit and insurance access
- Results-based finance

5

Institutionalized and Scaled Implementation

- National budgets
- Development finance
- Climate and nature funds
- Private capital

Evidence and learning feedback into policy, governance and the design of delivery and financing mechanisms.

SECTION 2

The Joint SDG Fund Food Systems Window



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Since 2024, the Joint SDG Fund Food Systems Funding Window, established by the UN Food Systems Coordination Hub in partnership with the Joint SDG Fund, has invested USD 32 million in 26 countries to advance food systems priorities anchored in National Food Systems Pathways, with support from the governments of Germany, Italy, Spain, and Ireland.

Through 1-2 year country-level catalytic grants consisting of either seed (USD 250,000) or high-impact (USD 1-2 million) Joint Programmes, inter-agency UN Country Teams are mobilized under the leadership of the UN Resident Coordinator.

Joint Programmes integrate institutional technical assistance to foster enabling policy and regulatory environments with direct capacity development to strengthen the market readiness of local producers and value chain actors.

The Funding Window acts as a catalyst, strengthening the policy and institutional environments, piloting systems interventions and building the pipelines and innovative financing instruments that unlock financing at scale: with over $300+ million expected leverage to achieve a 1:9 ratio.

International financial institutions (IFIs), commercial and development banks, and private sector investors are engaged from programme inception, ensuring tight alignment between national development policies and programmes, and commercial investment criteria.

Joint Programmes have supported the design, structuring, and scaling of 25 innovative instruments, including concessional loans, credit guarantees, asset aggregation platforms, and results-based mechanisms like impact bonds.

SECTION 3

A triple impact solution: Sustainable food systems



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Food systems sit at the heart of the interconnected climate, biodiversity and land challenges addressed by the three Rio Conventions[2]. How food is produced, processed, distributed, consumed and disposed of has major implications for greenhouse gas emissions, ecosystem and biodiversity loss, land degradation and water use. At the same time, livelihoods linked to food systems are also highly vulnerable to climate change, biodiversity loss and declining land and water resources. By driving crop and livestock losses, undermining assets and jobs, worsening food insecurity and malnutrition, exacerbating poverty and affecting prospects for economic growth, climate change and environmental degradation weaken resilience, deepen marginalisation, fuel inter-community conflict and reinforce cycles of harmful coping strategies.

Food systems at the centre of adaptation and resilience

Food systems are responsible for:

1/3 global greenhouse gases emissions

80% biodiversity loss

90% deforestation

70% freshwater resource use

60% global land degradation

Up to 12 USD trillion hidden environmental, social, and economic costs annually

At the same time, Global climate processes increasingly recognize the links between food systems, resilience and environmental sustainability. At COP28, 160 countries endorsed the UAE Declaration, calling for agriculture and food systems to be integrated into national climate policies, implementation and finance. The first Global Stocktake also recognized the role of resilient food systems in climate action.

2 https://unfccc.int, https://www.cbd.int and https://www.unccd.int

Food systems across national climate and biodiversity commitments

National pathways for food systems transformation developed in the context of the UN Food Systems Summit and its institutional architecture prominently feature climate, biodiversity and environmental targets, integrating different sectoral priorities through a systems approach that aims to restore soils, diversify production and reduce losses while supporting steady food supply and livelihoods. Similarly, 97 per cent of Nationally Determined Contributions (NDCs) 3.0 directly integrate food systems changes as a solution (mainly focused on agriculture), with limited but increasing inclusion of post-harvest processing, food loss and waste measures, and healthy diets and nutrition dimensions[3]. According to a recent FAO review, all National Biodiversity Strategies and Action Plans assessed include food systems elements, 63 percent of the targets in those plans are directly related to food systems, with a strong focus on forestry and fisheries[4].

Food Systems therefore provide a particularly important opportunity to advance climate, biodiversity and land objectives in an integrated manner. Restoring productive ecosystems can contribute to land degradation neutrality while improving biodiversity and resilience. Sustainable production and value chains can reduce emissions while strengthening adaptation. Improved soil and water management can simultaneously support agricultural productivity, ecosystem health and climate resilience.

This interdependence is increasingly reflected in countries' commitments under the three Rio Conventions. Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), National Biodiversity Strategies and Action Plans (NBSAPs) and National Action Programmes to combat desertification, land degradation and the effects of drought (NAP-DLDD) all create opportunities to advance more sustainable and resilient food systems.

Beyond adding food systems to each Convention agenda, the real opportunity is to identify interventions capable of delivering multiple national commitments at once. Doing so can reduce policy fragmentation, maximize the impact of scarce public and concessional resources and create larger, more coherent investment propositions. It can also accelerate progress across the Sustainable Development Goals (SDGs), since the same interventions affect food security and nutrition, poverty, livelihoods, health, water, gender equality and economic development.



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3 Climate Focus and WWF, *Food Forward NDCs: An Assessment of Nationally Determined Contributions (NDCs) 3.0,* June 2026
4 FAO, *Agrifood systems in national biodiversity strategies and action plans,* May 2026



© FAO/María Legaristi Royo

A total of 135 countries have developed national pathways for food systems transformation that connect priorities across food, climate, biodiversity and the environment. Developed in the context of the 2021 UN Food Systems Summit, these pathways prominently feature climate, biodiversity and environmental targets, integrating different sectoral priorities through a systems approach that aims to restore soils, diversify production and reduce losses while supporting steady food supply and livelihoods.

Yet, translating these commitments into integrated implementation remains difficult. Despite increasing alignment of global commitments, policies, institutions and financing mechanisms frequently remain organized around individual sectors and intergovernmental processes. As a result, opportunities to generate simultaneous climate, biodiversity, land and development benefits are often missed, while only small amounts of financing reach smallholders and local communities. The Joint SDG Fund's Food Systems Window offers a practical model for bridging this implementation gap.

The UN Food Systems Coordination Hub's Convergence Initiative

This movement towards greater national coherence is also supported by the UN Food Systems Coordination Hub's Convergence Initiative, launched by the UN Deputy Secretary-General at COP28 to strengthen alignment between food systems transformation and climate action. In the lead up to COP30 (and follow-up), the Hub's Convergence Initiative has fostered space and momentum for dedicated cross-sectoral dialogue and the development of coherent national policies, commitments and plans with aligned targets in 22 countries that developed their own national Convergence Action Blueprints. The Food Systems Window complements the policy and governance alignment promoted through the Hub's Convergence Initiative. Depending on the country context and sequencing, Joint Programmes can reinforce or build on this enabling environment through further policy support, implementation, piloting and investment preparation, while their experience can, in turn, inform subsequent convergence processes.

SECTION 4

How the Window catalyzes change and leverages climate finance



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In this context, **the Joint SDG Fund Food Systems Window acts as a financial catalyst by funding the policy alignment, technical assistance, project preparation and risk reduction needed to deploy larger public, private and environmental financing instruments**. The Window supports country-driven implementation of National Food Systems Transformation Pathways in 26 countries across 29 interagency Joint Programmes to accelerate and generate synergies among outcomes for biodiversity, climate change, and land restoration, while channeling financing to those who need it most and can deliver impact at scale. It does so by strengthening the national enabling environment (including policies, institutions and capacities), piloting innovative integrated interventions, and most importantly, building the financial pipeline for their scale-up.

The Food Systems Window plays a critical role in creating synergies across key SDG transitions, bridging food with jobs, social protection, digitalization, education and climate, to advance the 2030 Agenda for Sustainable Development: **24 out of 29 Joint Programmes explicitly advance climate and environmental objectives jointly with food systems transformation**, supporting countries to operationalize Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs), National Biodiversity Strategies and Action Plans (NBSAPs) and National Food Systems Pathways through unified, crosssectoral approaches.

Joint Programmes(JPs) mobilize UN system expertise to integrate climate, biodiversity and food systems priorities into aligned policy agendas, institutional arrangements, and integrated implementation at scale. A key feature of all JPs is their support for unlocking and mobilizing finance and investments: by strengthening investment readiness and piloting climate-responsive and nature-positive

financing instruments, JPs leverage a wide array of financial instruments, such as insurance schemes, guarantees, credit enhancements and sustainability bonds, that countries can deploy to manage climate risks, transfer residual risks that production measures cannot absorb and build resilient, investable value chains aligned with climate objectives.

For financing partners and investors this translates into a pipeline of country-owned investments, with institutional counterparts engaged, government ownership and delivery arrangement secured before capital is sought, reducing preparation costs and time. The portfolio already projects an average leverage ratio of 1:9.



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4.1. Aligning Policies and Institutions for Rio Implementation

Overcoming fragmented policy landscapes paves the way for scaling delivery and both public and private finance. The focus is on further aligning food systems pathways with NDCs, NAPs, NBSAPs and land objectives, identifying synergies and trade-offs, and aligning institutions and incentives around common outcomes.

Across the portfolio, Joint Programmes are supporting the revision or implementation of national policies and plans and establishing or strengthening governance mechanisms involving agriculture, environment, climate and finance authorities. Provincial, municipal or district platforms translate national priorities into local action and enable evidence on climate vulnerability, natural resources, diets, and livelihoods to inform national planning. Through these mechanisms, the Window strengthens both policy coherence and the institutional arrangements needed for integrated delivery across sectors and levels of government, activating coherent support from the whole of the UN development system, under the strategic leadership of UN Resident Coordinators.



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In **Armenia**, the JP builds on the country's Convergence Action Blueprint[5] and provides an implementation vehicle for aligning the Food Systems Transformation Pathway with the NDC 3.0, National Adaptation Plan, NBSAP and agricultural policies. The **Food Systems Policy Lab**[6] will convene agriculture, environment, nutrition and finance actors and channel evidence from biodiversity-positive dairy, pasture and seed-system pilots into policy and investment decisions, including for a national **Dairy Impact Bond**. Together with the **Food Systems Innovation Incubator**[7], the Lab links national priorities on pasture restoration, sustainable grazing, agrobiodiversity and biodiversity-friendly farming with scalable community and enterprise solutions.

Ghana is establishing a **National Food-Environment Policy Coherence Platform**, co-led by the Ministry of Food and Agriculture and the Ministry of Environment, Science, Technology and Innovation, to review how public policies and incentives can better support regenerative production and align agriculture with Ghana's NDC, NBSAP and Land Degradation Neutrality targets. A complementary **Food Systems-Biodiversity Alignment Toolbox** will help policymakers identify synergies and trade-offs across food, climate, land and biodiversity objectives.

In **Cambodia**, the Council for Agricultural and Rural Development led the revision of the **Food Systems Roadmap for Sustainable Development 2030**, strengthening its focus on climate change, gender and private-sector engagement. An evidence review and consultations with national and subnational authorities, civil society, research institutions, development partners and businesses informed the identification of six game changers spanning production, food environments and consumer behaviour. The focus on nutrition helped shape a new standalone food systems pillar in Cambodia's **NDC 3.0**, focusing on behaviour change for healthy sustainable diets and food waste, complementing existing agriculture-focused commitments.

5 https://www.fao.org/media/docs/unfoodsystemslibraries/convergence-initiative/armenia/convergence-action-blueprint_armenia.pdf

6 The Food Systems Policy Lab serves as a coordination and policy integration mechanism across agriculture, nutrition, biodiverstiy and finance. It aligns food systems reform with climate and biodiversity frameworks priorities, as set out in the NDCs and the NBSAP.

7 The Food Systems Innovation Incubator is a semi-permanent platform established to identify, pilot and scale agroecological and biodiversity-positive innovations.

4.2. Turning Integrated Approaches into Scalable Solutions

UN Joint Programmes are helping countries to move from aligned plans to integrated delivery with sustained national capacities. At territorial level, climate resilience, biodiversity conservation, productive land use, livelihoods and food security cannot be addressed independently. Joint Programmes provide an opportunity to test combinations of interventions within the same landscapes and value chains, while generating evidence and capacities for replication at greater scale.



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Interventions piloted through Joint Programmes enable producers, consumers and communities to both improve food security, nutrition and livelihoods while restoring soils, conserving biodiversity, providing healthy diets, reducing emissions and adapting to climate risks. By associating producer organizations, extension and advisory services, schools, public procurement systems and other existing national programmes, the Window creates a pathway for integrated territorial pilots to be replicated and sustained at scale. In doing so, the Window plays a critical role in synergizing national food transformations with key priorities such as jobs and social protection, education, energy, or climate and the environment – thus propelling progress towards the achievement of the 2030 Agenda for Sustainable Development.

Grounded in **Bolivia**'s landmark Law of the Rights of Mother Earth, the JP operationalizes the ancestral indigenous worldview of "Vivir Bien" to reform of the agro-industrial sector towards more sustainable production and consumption patterns and strengthen Bolivia's regional trade. Focusing on non-timber value chains that depend entirely on rainforest ecosystems, the programme brings together sustainable production, nutrition, decent work, market access and governance in one territorial model built around Brazil nut (castaña), açaí and cacao in 14 Amazonian municipalities, accompanying over 1400 families to build capacities on sustainable agriculture practices and promoting an integrated vision for local development which acknowledges the interconnectedness of social, economic, and environmental systems.

Cameroon's JP operationalises the country's **Convergence Action Blueprint** across four staple value chains (rice, cassava, milk and eggs) and strengthens resilient local food systems by connecting local supply and demand. It promotes the adoption of agroecological methods, enhances food processing through solar drying, storage, cooling and food safety enhancements, and advancing circularity by converting organic residues into compost, feed or energy. The JP also strengthens the agency of cooperatives through Farmer Field Schools and Farmer Business Schools, and engagement with regulators, local authorities, lenders and public buyers. It builds or strengthens resilient local food systems by connecting local supply and demand, linking cooperatives to school feeding and humanitarian procurement, building confidence among producers and financing institutions in market functionality.

Madagascar is piloting an integrated territorial model in the climate-vulnerable Anosy region, combining climate-smart and nutrition-sensitive approaches across cassava, beans, orange-fleshed sweet potato, aquaculture and fisheries. The programme will adapt production and processing practices to local agroecological conditions, including sustainable soil and water management, crop diversification, aquatic biosecurity, food safety and post-harvest loss reduction. Delivered through regional institutions and existing agricultural programmes, these interventions aim to support 1800 producers to increase the local availability of nutritious foods, reducing their exposure to climate shocks and lowering the environmental footprint of local value chains. With support from the European Union, the approach is currently mirrored in the Itasy region.



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In **Kenya**, climate-friendly home-grown school feeding connects public procurement with drought-tolerant production, diversified diets and resilient local supply chains. In Baringo and West Pokot, the programme tests an **Aggregator Model** through which schools progressively source grains, pulses and nutrient-dense foods from local producers, targeting 8,000 direct beneficiaries and 30,000 children. Revised menus create demand for climate-resilient crops, while school gardens and sustainable production practices strengthen nutrition, local livelihoods and adaptation in arid and semi-arid areas.

4.3. Mobilising Finance and Investment to Maximize SDG value

The most critical bottleneck that the Window's Joint Programmes address is finance. Investments capable of delivering across food, climate, biodiversity and land objectives often fall between established financing categories or remain too small, fragmented or insufficiently prepared to attract larger-scale capital. At the same time, financing decisions made within one sector can undermine objectives in another. Shifting towards sustainable food systems that deliver on climate, biodiversity and land restoration commitments is a collective effort and requires bridging the gap between food producers, financial actors and policymakers. Closing the gap requires both appropriate financial instruments and an enabling environment that combines supportive policies, the engagement of public development banks, technical assistance, strong producer organizations, and market access.

The Food Systems Window uses catalytic resources to strengthen investment readiness, test financial instruments and de-risk investments that generate multiple benefits. It supports countries to work on both sides of this financing relationship: helping producers and enterprises develop viable, nature-positive business models and investment-ready pipelines, while enabling financial institutions to assess these investments more effectively and develop financial products and schemes tailored to the barriers they face. Across the portfolio, **around 25 financial instruments are under assessment, design or pilot**, spanning enterprise preparation, tailored credit, guarantees, insurance, results-based finance and payments for ecosystem services.



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The finance gap for smallholders

Currently, only 7 per cent of total climate finance reaches the food sector, and even a smaller share reaches smallholders and communities, at 0.8 per cent, with a decreasing trend[8]. Dedicated windows exist and are growing, from the GEF's Food Systems Integrated Program to the GCF's Health, Food and Water Security Portfolio, but their combined scale remains marginal against an annual estimated requirement of $300 to 400 billion for food systems transformation[9], which also requires coordinated action across agriculture, environment, water, health, livelihoods, trade and finance, and the ability to enhance access to finance for underserved actors, notably smallholders, cooperatives and MSMEs.

8 Climate Policy Initiative (CPI), *New Data Reveals Global Agrifood Systems Receive Only 7% of Total Climate Investment,* 14 May 2025
9 World Bank, *Food Finance Architecture: Financing a Healthy, Equitable, and Sustainable Food System,* 2021

On the producer side, Joint Programmes help farmers, cooperatives and MSMEs translate sustainable and resource-efficient practices into viable business and investment models. Technical support to adopt climate-resilient and nature-positive **practices** is combined with business development, financial and climate-risk literacy, producer aggregation and stronger connections to buyers and markets. Together, these measures strengthen commercial viability, reduce risk and enable producers and enterprises to access finance and scale solutions that contribute to food security, climate resilience, biodiversity conservation and sustainable management of land and natural resources.

Photo credit: © FAO/Fanjan Combrink

In **Ghana**, investment clinics and scenario analysis assess the viability of soybean enterprises and whether a loan-portfolio guarantee could encourage lending, followed by targeted support to strengthen the capacities sought by financial institutions. In **Bolivia**, the JP supports business development for certification, upgrade of working conditions, financial literacy and aggregation efforts for strong Amazonian producers' cooperatives that encourage risk-pooling and connections with buyers and markets. In **Lao PDR**, financial and climate-risk literacy support for farmers is generating lessons for tailored credit products and future agricultural insurance. **Rwanda** combines the provision of energy-efficient post-harvest technologies to grain cooperatives with an investment-readiness model built around locally identified constraints and a tailored guarantee mechanism.





On the investment side, JPs help change how collateral is assessed, financing instruments are structured and capital is delivered so that it can support both food systems transformation and environmental objectives. They engage national and public development banks, agricultural credit institutions, cooperatives, insurers and guarantee corporations in designing suitable credit, insurance and risk-sharing instruments.

In **Viet Nam** the JP facilitated technical assistance for the establishment of the Food Systems Transformation Partnership (FST-P), a multi-stakeholder platform led by the Ministry of Agriculture and Environment that brings together government, development partners, businesses and civil society to support implementation of the National Action Plan on Food Systems Transformation (NAP-FST). It also undertook a review of the financing architecture for NAP-FST implementation and proposed a **Blended Finance Fund for Agrifood System Transformation** to mobilize public, private, development and climate finance for integrated food systems investments, particularly those benefiting women and small-scale producers.

In **Madagascar**, the Climate and Nutrition Financing Window will combine guarantees, technical assistance, performance-based grants and cooperative microloans to finance climate-resilient, nutrition-sensitive investments that protect natural resources across priority agricultural and aquatic value chains. In **Jordan**, spatial evidence on land, water and climate risks is informing an investment pipeline and guarantee-backed financing for olive enterprises investing in water-efficient production, resource-efficient processing and circular uses of olive by-products.

Some instruments link finance directly to environmental results. In **Armenia**, a Dairy Development Impact Bond ties results-based finance to measurable gains in pasture health and producer incomes. In the **Dominican Republic**, a proposed payment for ecosystem services scheme would reward upstream landholders for restoring watersheds and protecting water-recharge zones that support irrigation and hydroelectric generation downstream.

Photo credit: © FAO/Alexander Joe

Several countries give examples of how producer-side investment readiness is met with changes in how financial institutions assess, structure and deliver capital, to unlock financing for innovative practices that accelerate the transition.

Indonesia layers three instruments against the same risk: climate-smart practices reduce production losses at farm level through drought-resilient varieties, water-efficient irrigation and lower synthetic fertiliser use, the **national rice insurance mechanism** transfers to insurers the residual losses that better practice cannot prevent, and credit finances the adoption of both. The JP works through existing state mechanisms by making access to insurance coverage and premium subsidy conditional on adopting climate-smart practices, to incentivize a different way of farming. On the capital side, the JP directs part of the proceeds from the country's annual SDG Bond and Green Sukuk issuances towards sustainable agriculture and helps farmer groups and MSMEs prepare projects for the national environment fund's revolving facility.

Colombia addresses the disconnect between the financial system and small-scale producers, who are commonly perceived as subsistence units with low financial profiles and remain largely outside formal credit. The JP establishes a **Technical-Financial Facility** that works on both sides of that relationship within a single mechanism. On the demand side, it prepares small producers and rural enterprises through business planning, financial management, the structuring of bankable proposals for nature-positive investment, and post-investment accompaniment. The facility works as the final bridge between existing productive support and the financial sector, converting years of technical assistance into investment rather than starting a new pipeline. On the supply side it works with banks, cooperatives and insurers on screening systems, credit products, guarantees, agricultural insurance and digital risk assessment tools, building on instruments these institutions already operate rather than creating parallel ones.

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