



Generating new forms of investment

Investing in national agricultural innovation systems to deliver to the SDGs

A Collective Action within Key Focus Area (KFA) 4 of GFAR's Medium Term Plan 2018-2021

It is widely recognized that agricultural innovation systems are greatly under-resourced to deliver their required role in meeting the SDGs. Currently, ¼ of public expenditure in agricultural research is in the G20 nations, while most African and Central Asian countries are re-investing in research and innovation at levels well below the FAO-recommended 1% of agricultural GDP.

Compounding the inadequate investment is the fragmented state of investment in the sector, with individual institutions and projects often duplicative, incoherent and leaving key gaps and bottlenecks in the required integrated systems of agri-food innovation.

This is further exacerbated by differences in approach and investment between public and private sectors and by a lack of consistent national commitments to the long term reality of the processes involved. Funding agencies play their part in these problems, with short term investments in long term processes and often with a lack of integration between different funding sources, resulting in numerous blockages in the complex webs of innovation required.

As the common platform for all involved in agri-food innovation, the Steering Committee recognized the value of GFAR as a mechanism to give collective voice on behalf of all sectors, to the need for greater and better investment in agricultural innovation and to explore new mechanisms for doing so in more integrated ways. GFAR national innovation platforms will enable this collective voice, to speak for the whole sector and

The Partners in GFAR promote an integrated and multi-stakeholder approach that embeds innovation in development, and is driven by, and responsible to, the countries concerned



its needs and to integrate innovation into large scale development investments and loans. An integrated approach is proposed, where expression of community needs is linked to consequent national investments and capacity development, with international supporting capabilities mobilized as may be required.

Advocacy

One key challenge is that national investment requires evidence for Agriculture Ministries and policy makers to convince Finance Ministries and other determinants of the value of investing in the sector. This will require strategic papers, policy briefs, case studies and policy papers, as well as wider use of media and social media to build the case for enhanced and integrated investment in

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agricultural innovation systems in their multiple dimensions. Common advocacy is envisaged via GFAR national platforms, in favour of integrated programmes and with a strategic view and structure beyond three years.

New funding mechanisms

Agricultural research and innovation systems and their governance have often become dissociated from resource-poor smallholders, the ultimate clients of their work. While farmers are represented in some investment decision-making bodies, there is often a lack of real accountability to the smallholder clients of these systems. Partners in GFAR aim to explore different models for client engagement in investment decisions, from case studies and experimentation with different approaches, including the fostering and exploration of direct management of funds or fund components by farmer organizations, co-financing mechanisms and innovative public-private-producer partnerships. New metrics are required for this and are already being explored by a number of funding agencies. There is also need to measure also partnership quality and connect this quality to impact

Enabling environment

As well as the investment needed in innovation processes and technologies, it is essential to create linkage to wider investments such as micro-finance and micro-insurance, to enable farmers to manage risks in changing practices and accessing required inputs. Linking investment in innovation with wider rural development investments holds considerable promise for ensuring and enhancing impact from innovations. This approach is presently being explored with several funding agencies – IFAD, GAFSP and the World Bank, together with the countries concerned and private foundations, to establish the cross-linkages required.

Upstream science

Investment in advanced science that can benefit smallholders is a further dimension requiring attention. With most public and private investment occurring in G20 nations, there is need to ensure the spillover benefits from advanced science benefit resource-poor smallholders and tackle intransigent problems such as drought, antimicrobial resistance, invasive alien species,

declining phosphate, reducing inorganic fertilizer use, food contamination etc. GFAR Partners will mobilize increased cross-linkage, at policy and practical levels, between investment advanced science and recalcitrant problems affecting smallholders, pursuing equitable and integrated approaches throughout.

Integrating innovation from communities and science

Recognizing that success requires innovation from farmers and communities themselves, as well as from science, new funding models will be explored to directly integrate the two and co-create solutions to the challenges concerned. Following on the models pioneered by the earlier GFAR collective actions of DURAS and ProLINNOVA, funding agencies will be encouraged to support new integrated funding models that bring different innovation dimensions together.

The expected results from this Collective Action are:

- Innovation cycles shortened; greater efficiency; greater investment to benefit all needed dimensions
- Greater funding, better investment
- Farmers and poor consumers empowered to determine their own required innovations and to 'own' the products of innovation

These changes are expected to be seen in:

- Measures of investment
- Leveraging of funding
- Changes in investment mechanisms
- Transparency/accountability of processes

Likely partners are: funding agencies, national partners, G20, CFS and policy bodies, foundations, regional development banks, finance Ministries, GDPRD, IFAD, GAFSP, CSR funding

Those expressing their commitment were: Advanced research, local advisory services, Latin America, Youth, Asia-Pacific, Central Asia/Caucasus, Near East North Africa

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