



## **CGAP Webinar**

# **Rethinking Finance to Address the Next Frontier in Food Systems Transformation**

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Wednesday, December 10, 2025

9:00 – 10:00 AM EST

# Housekeeping



## Recording & Livestream

This webinar is being recorded and livestreamed. The materials and recording will be sent to your emails after the event.



## Participant Settings

Microphones and video will be turned off for participants for the entire event.



## Questions

Please send your questions in the chatbox (Zoom) or in the comments (LinkedIn) throughout the event.



## Visibility

Make sure your questions in the Zoom chatbox are directed to “Everyone”, so all participants can see them!

# Agenda

## Welcome & housekeeping

**Emilio Hernandez-Hernandez**

## CGAP's food security framework

**Somya Banwari**

## Lightning talks

**Suon Pisey | Tessel de Jong | Alan Johnson | Roel Messie**

## Panel discussion

**Suon Pisey | Tessel de Jong | Alan Johnson | Roel Messie**

## Q&A and closing

**Emilio Hernandez-Hernandez**

# 1. Background and problem statement

*The role of financial systems in promoting food security outcomes*

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*Adam Yusuf, 2017 CGAP Photo Contest*

# Global food security challenges have evolved, and so must the solutions.

Worrying deterioration of food system outcomes related to **nutrition, sustainability and equity** is affecting a large share of the global population.



**3.5 billion people** are estimated to suffer from nutrient deficiency, **2.8 billion** cannot afford a healthy diet, and **70%** of the world's obese reside in LMICs.



Food systems emit over **30%** of global GHG emissions and result in **40%** of arable land being degraded.



Smallholders only receive **between 4 and 6% of the final consumer price for their products**, and most of the rest remains in the hands of other actors in the value chain.



Global food systems **impose USD 19 trillion** in annual environmental, social and health costs.

# Investing in and scaling the **right kinds of Ag-Techs** that boost nutrition, livelihoods, and sustainability is key to global food security.

Not all investments in agriculture translate into the desired food system transformation outcomes. It is important to define which food systems to transform and how.



There has been innovation in ag policy models that **show which AVCs, if transformed, would result in more affordable nutritious food that is produced sustainably**. See [Fuglie et al. 2022](#) and [Sanchez, M. and Cicowiez, M., 2022](#).



These high-impact AVCs are context-specific. Once determined, we can identify:

1. **Key bottlenecks** in AVCs preventing food security outcomes for each country context.
2. **The type of AgTechs** required to overcome such bottlenecks and enable increases in productivity and profitability.



Understanding **which AVCs to prioritize** and **the investment needs to enable the adoption of the right AgTech** can guide public and private finance and investment flows that are needed to enable the desired type of food system transformation.

# Agricultural innovation in LMICs has accelerated in the last decade, driving **local solutions to local challenges**.

Substantial growth in the AgTech sector is driven by factors on both the supply and demand side

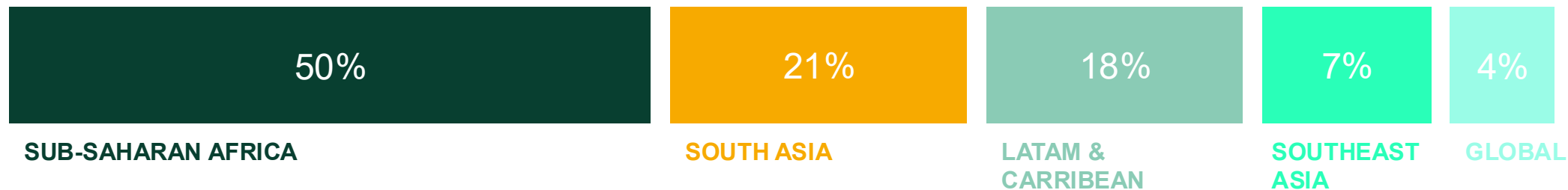


Technological advancements in offerings and business models



Increasing penetration of smartphones and mobile money

In 2023, over 1400 AgTech solutions were mapped in LMICs, with the most solutions centered in sub-Saharan Africa



In parallel, there is a well documented increase in AgTech funding globally, with a substantial portion directed at LMICs

- In 2012, AgFunder tracked \$3.1 bn in AgTech investments
- In 2022, this number grew to \$29.6 bn, with a cumulative total of \$196 bn since 2012
- Through 2021, Beanstalk estimated that \$13.2 bn of total AgTech funding went to LMICs

However, there is low adoption of the appropriate AgTech solutions in those high-impact AVCs, slowing progress in food security.



In LMICs, AgTech adoption has been slower than in high-income countries, as important enablers are lagging.



Low adoption of AgTech in LMICs is contributing to a decrease in the growth rate of Total Factor Productivity in agriculture, from 2.2% in the early 2000s to 1% in the by the end of the 2010s.



One of **the key drivers of AgTech adoption is the use of adequate financial services** among farmers and other AVC actors to enable the required investments that make AgTech use viable.

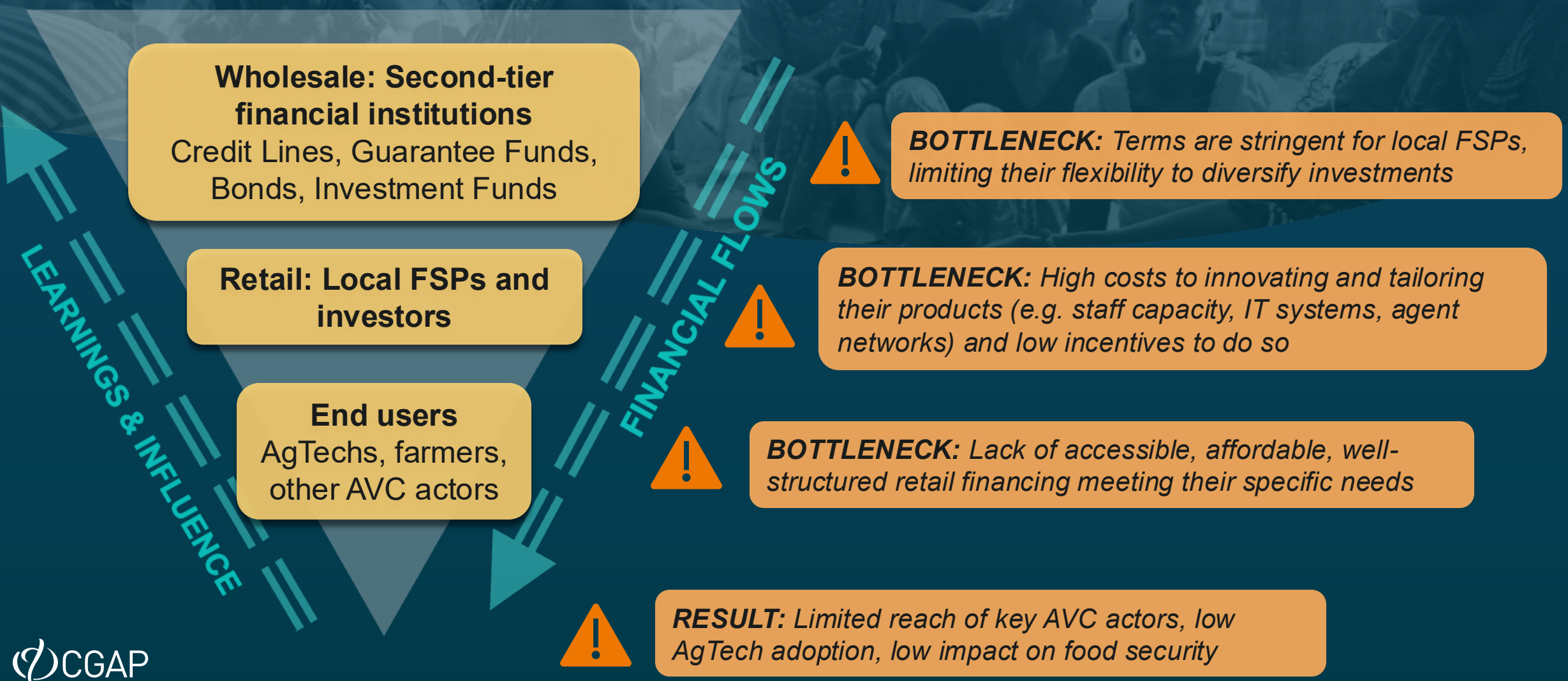
## 2. Understanding the financial sector gaps that need to be addressed to better enable food security

*Implications for inclusive finance interventions*

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*Adam Yusuf, 2017 CGAP Photo Contest*

# The solution: Addressing the financial supply chain bottlenecks that prevent AgTech adoption



# Financial innovation is necessary to enable investments that scale AgTech adoption.

- **Advances in digital finance and agriculture digitization create unprecedented opportunities** to successfully overcome chronic barriers to agriculture finance.
- **A more intentional approach to steer investments into high-impact AVCs** that ensure equitable, sustainable and nutritious food systems includes:
  - Identifying those high-impact AVCs in each country context
  - Support those AgTechs that address bottlenecks in those high-impact AVCs
  - Focus financial innovation to meet unique investment needs to scale AgTech adoption
- Local financial institutions, impact investors, DFIs, government and donors **play a key role** in making public and private investments that ensure required innovations in the finance and AgTech world happen.

# Meet the Speakers



**Suon Pisey**

Chief Business Officer,  
AMK MFI Cambodia



**Tessel de Jong**

Technical Assistance  
Officer, FMO



**Alan Johnson**

Lead for Smallholder  
Supply Chains, IFC



**Roel Messie**

Chief Executive Officer,  
IDH Invest



**Emilio Hernandez**

Senior Financial Sector  
Specialist, CGAP



**Somya Banwari**

Financial Sector  
Specialist, CGAP