



Unlocking Financing for Sustainable Food System Transformation

Session Partner: Shakti Sustainable Energy Foundation

Background:

Indian agriculture stands at a critical juncture: the sector is tasked with feeding a growing population while ensuring environmental sustainability and economic viability. The agriculture sector has long been the backbone of the Indian economy, employing millions and providing sustenance to a vast populace. However, resource-intensive methods of farming, coupled with the challenges of climate change, depleting natural resources, and a rising population, have impacted the ability of the land to produce high-yield and nutrition-dense crops and strained the existing food systems. Transitioning the country's food systems to a more sustainable pathway is essential to ensuring the long-term prosperity of the sector. In this context, increasing finance for sustainable food systems is imperative and can pave the way for a more secure, resilient, and environment-friendly future.

Sustainable food systems can ensure not only adequate production but also focus on improving nutrition, equitable distribution, and minimizing food waste. Adequate financial investments are vital to ramp up sustainable agricultural production, develop efficient supply chains, and establish food processing units, enabling India to meet the demands of its population while simultaneously enhancing agrobiodiversity, improving the climate-resilience of communities dependent on agriculture, and reducing emissions from agriculture.

Increased financial investments in sustainable food systems can also create a ripple effect on the economy. By supporting small and marginal farmers, promoting agri-entrepreneurship, and enhancing market linkages, finance for sustainable agriculture can generate employment opportunities, particularly in rural areas where a significant portion of the population relies on agriculture.

The session aims to enhance understanding of the role of finance in catalyzing a shift to sustainable food systems, including the identification of the diverse roles that financial providers and philanthropic capital can play in supporting this transition.