

# FOOD SYSTEMS TRANSFORMATION PROGRESS REVIEW

Regional meeting for Latin America and the Caribbean (LAC)

16 April 2024 | Santiago, Chile

SUMMARY REPORT





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## BACKGROUND

The first UN Food Systems Summit +2 Stocktaking Moment (UNFSS+2) was convened in Rome, Italy in July 2023, building upon the momentum of the 2021 Food Systems Summit. With over 3300 participants from 182 countries, the Summit+2 aimed to review progress on commitments, identify bottlenecks, and advocate for sustainable food systems as critical Sustainable Development Goals (SDGs) accelerators.

At the UNFSS+2's conclusion, the UN Secretary-General launched a <u>Call to Action</u> focusing on embedding food systems strategies in national policies, establishing inclusive governance, investing in research and innovation, promoting business engagement, ensuring all stakeholders' participation, and securing long-term finance for transformation.

As a follow-up to the UNFSS+2 and to acquaint participants with the six areas of action outlined in the UN Secretary-General's Call to Action, thereby preparing the ground for the UNFSS+4 in 2025, the UN Food Systems Coordination Hub (the Hub) organized a series of Regional Preparatory Meetings from March to April 2024. On 16 April 2024, the Hub and the LAC Food Systems UN Task Force<sup>1</sup> organized the third regional meeting of 2024 and convened Food Systems National Convenors and other experts from across the region to assess the progress made in transforming food systems, facilitating regional knowledge sharing, and identifying emerging patterns and solutions.

This meeting was built upon the discussions held during the <u>2023 LAC Regional Preparatory</u> <u>Meeting</u> that took place on 25 April and UNFSS+2 in July 2023, where Member States shared their perspectives, best practices, lessons learned, and challenges related to food systems transformation (FST). The importance of accelerating FST for achieving the SDGs was emphasized during these dialogues.

**H.E. Ms. Amina Mohammed, UN Deputy Secretary-General**, provided closing remarks in the meeting where she commended the region for its leadership and contributions to global FST. She underscored the importance of regional collaboration in developing a collective vision for sustainable, healthy, and resilient food systems, and called for intensified efforts to strengthen governance systems, foster innovation, and secure the necessary funding.

**Participating countries**: Bahamas, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Panama, Peru, and Uruguay.

Web article: LINK.

Concept note and agenda: LINK.

<sup>&</sup>lt;sup>1</sup> ECLAC, FAO, IFAD, PAHO, UNEP, UNFPA, UN Women, UNICEF, WFP.



This meeting report summarizes the presentations and discussion areas shared by National Convenors and government representatives, including facts and figures shared by the Hub, as well as the LAC Food Systems UN Task Force, and stakeholders. It is structured to summarize progress and major achievements, challenges, and key messages of the meeting.

### **PROGRESS IN THE REGION AND GOOD PRACTICES**

This segment showcases progress and examples of good practices undertaken in countries' journeys toward FST, as shared by National Convenors. It highlights the diverse efforts of countries in promoting FST across various topics with attention to the areas indicated in the UN Secretary-General's Call to Action at UNFSS+2. The examples provided below are not exhaustive and provide a summary of the discussion areas. Additional good practices will be incorporated into the Hub's Database Of Practices In Food System Transformation.

**Implementation of national pathways**: Significant progress has been made in implementing national pathways for FST in the LAC region. Countries are actively working towards implementing strategies with clear goals, which are increasingly being translated into action plans. This has fostered collaboration among stakeholders, steering policy reforms and initiatives towards FST. The region now includes 21 National Convenors, 19 national pathways, 9 action plans, and 4 costing/investment plans.

**Incorporation of national pathways into government plans and strategies:** The integration of national pathway priorities into government plans is a strategic approach in the region to ensure that the country's long-term goals for sustainable development, economic growth, and social wellbeing are systematically addressed. Countries like **Costa Rica** have established key initiatives, including the Agricultural Policy 2023-2032, the National Development Plan, and policies on sustainable production, gender equality, and family farming. **Bolivia** is including the national pathway comprehensive legislative framework supporting food sovereignty, and the integration of SDGs into national planning. **Guatemala, the Dominican Republic, Honduras, El Salvador, and Peru** are enhancing food and nutritional security policies. **Brazil** is implementing the "Brazil Without Hunger" program that includes over 80 actions focused on income access, poverty reduction, healthy eating, and hunger mobilization, with the goal of removing Brazil from the hunger map before 2030.

Multistakeholder engagement and coordination mechanisms: In LAC, inclusive platforms for dialogue and collaboration have catalysed efforts among diverse stakeholders from government, civil society, academia, the private sector, and marginalized communities to exchange ideas, share best practices, and co-create solutions. In Chile, the Sovereignty Strategy for Food Security was established, involving eight ministries, 55 public institutions, 84 private sector organizations, 24 academic institutions, and three international organizations. In Mexico, the transition from an initial intersectoral group to a more structured system under the new general food law is underway and its regulations are being prepared. **Peru** established food systems councils at the municipal level, and Belize emphasizes collaboration across ministries to address food system pillars effectively, streamlining action implementation through assigned responsibilities and collaboration with academia and other actors. Brazil has established the Interministerial Chamber of Food and Nutritional Security that emphasizes the human right to adequate food as a central priority to review and advance Brazil's national commitments to food security. In the same way, under the G20 Presidency, Brazil is organizing events to discuss financing methods, including the proposal to use climate action funds to combat hunger and poverty, emphasizing the need for policy and financing to work together. Additionally, Brazil leads the school feeding coalition, prioritizing robust school feeding programs.



**Innovative solutions for climate change and food security**: Countries in the region are adopting innovative solutions to address climate change and food security challenges. Initiatives such as predictive modelling for hurricanes in **Guatemala and the Dominican Republic**, innovative food labelling and food bank programs in **Chile**, and the development of micro-insurance in **Costa Rica** showcase proactive approaches towards sustainable adaptation and promoting healthy diets for all. **El Salvador** has prioritized mitigating the impact of climate change on production and livelihoods, creating a climate financing table and environmental assessment system and policies for ecosystem restoration, alongside the One Health Strategy. **Bolivia** emphasized food production systems based on traditional agriculture, food sovereignty, identity, and ecological sustainability, and it is expanding its agrobiodiversity species catalogue and the implementation of new indicators for traditional and agroecological food systems. **Brazil** is set to lead COP30, emphasizing the importance of addressing food systems and climate change.

**Financial flow measurements:** Efforts to identify financial flows in food systems are underway. **Peru**'s experience with the 3FS tool, developed in collaboration with IFAD and the World Bank, underscores the importance of measuring and understanding financial allocations. The tool sheds light on investment distribution across critical sectors like social assistance, infrastructure, agriculture, nutrition, and climate change. Moving forward, presenting this data to the Multisectoral Commission on Food and Nutritional Security will facilitate prioritization and review of funds allocation.

**People-centric approaches**: The region is advocating for people-centric approaches to food systems transformation, focusing on traditional foods, family farming, and strong school feeding programs. For instance, **Chile**'s microbanks delivered \$800 worth of food and provided 809,000 rations of food in 2023, while school feeding programs invested in family peasant agriculture. **Brazil** reformed the Bolsa Familia program in 2023, including a program to purchase from small producers and short chains. In **Costa Rica**, a law enabled the creation of an agricultural insurance platform, offering farmers 70% coverage of premium value, set to be implemented in 2025. **Panama, Bolivia, and Belize** are strengthening small producers through training and market development.

#### The Ecosystem of Support in LAC is marked by robust collaboration across multiple fronts:

- The LAC Food Systems UN Task Force is supporting 16 countries in implementing their national pathways, by raising awareness, facilitating financing, and generating evidence to drive sustainable food systems actions.
- The Inter-American Institute for Cooperation on Agriculture (IICA) helps countries develop, implement, and monitor effective food systems policies and strategies, ensuring alignment with both local needs and international standards.
- Strengthening coalitions, networks, and partnerships such as the Agroecology Coalition, facilitates collaboration, knowledge exchange, and increased investments in agroecology and sustainable food systems. These coalitions bring together diverse stakeholders, including government agencies, civil society organizations, research institutions, and private sector actors, providing a platform for collective action, advocacy, and policy dialogue.
- A platform of International Financial Institutions (IFIs) for food systems transformation, led by the Inter-American Development Bank (IADB) and the United States, aims to coordinate, harmonize, and consolidate information on IFIs' actions in supporting countries to obtain long-term and affordable financing for food systems initiatives.





 Funding mechanisms such as the food systems window of the Joint SDG Fund, facilitated by international donors through the Hub, can significantly strengthen financial support for food systems transformation initiatives. Increased investment has spurred innovation, scalability, and tangible impact across the region. For example, Bolivia, Costa Rica and El Salvador will be supported by the food systems window of the Joint SDG Fund, fostering innovation and scalability in critical areas outlined in their national pathways.

#### **KEY CHALLENGES IN FOOD SYSTEMS TRANSFORMATION**

Establishing and advancing national pathways to accelerate FST is different and country-contextspecific. Below is a summary of challenges presented by scene-setting speakers, National Convenors, and government representatives. Summary points of challenges discussed:

**The region faces significant challenges in food security and climate change,** including the double burden of malnutrition. In 2021, 22.7% of people at the regional level were unable to access a healthy diet. At the subregional level, 57% of the Caribbean population lacked access to a healthy diet due to its high cost, compared to 22.2% in Mesoamerica and 20.6% in South America. Malnutrition prevalence has increased in the Caribbean (+16.5%) and Central America (+5.1%), while it has decreased in South America. Approximately 43.2 million people are undernourished, and 83.4 million are experiencing acute food insecurity in the region<sup>2</sup>. Climate change exacerbates these issues. In 2023, 1.3 million people were exposed to severe drought due to El Niño, further exacerbating food insecurity and impacting GDP<sup>3</sup>.

Lack of efficient monitoring systems and proper indicators: Despite advancements in various programs within the region, including the protection of family agriculture, promotion of climate resilience, and enhancement of social protection initiatives like school feeding, there is a notable lack of alignment with overarching food policies. Additionally, proper indicators, particularly related to nutrition, are lacking. This misalignment and deficiency hinder the effectiveness of these programs in contributing to comprehensive food systems transformation.

Access to financing. Countries raise concerns about fund accessibility for food systems transformation, emphasizing the importance of streamlined procedures and timely disbursement to benefit producers efficiently. Strategies for managing cash flow, allocating resources, and mitigating financial risks are vital to sustaining business operations and supporting growth objectives.

**Need for funding and incentives to interministerial and stakeholder collaboration**. While most countries have established multistakeholder mechanisms, several face challenges including the need for funding and political support. Inter-sectorial bodies often lack clear incentives, as each sector may prefer to work independently for quicker progress. Identifying indicators to measure the effectiveness of inter-sectorial mechanisms is essential. The biggest governance challenge lies in optimizing existing resources and enhancing the efficiency of collaborative spaces to avoid duplicating efforts among different working groups. Overcoming silo thinking and ensuring consistent inclusion of civil society, the private sector, and vulnerable groups remains challenging. Local governance is also crucial for achieving multilevel participatory governance in food systems.

Supply chain risks, disruptions and vulnerabilities affecting food security. In the global supply chain, disruptions such as transportation delays, raw material shortages, geopolitical tensions, or natural disasters, can disrupt production and increase costs. At the same time, economic

 <sup>&</sup>lt;sup>2</sup> Latin America and The Caribbean Regional Overview Of Food Security And Nutrition. Statistics and Trends, Updated in December 2023. <u>https://openknowledge.fao.org/server/api/core/bitstreams/b43315d5-5499-402d-92ec-a45140bceaf4/content/sofi-statistics-rlc-2023/food-security-ending-hunger.html</u>
<sup>3</sup> El Niño. 2023 - 2024. Latin America and the Caribbean. <u>https://docs.wfp.org/api/documents/WFP-</u>

<sup>0000157672/</sup>download/?\_ga=2.124283210.1109030416.1715949781-1697783979.1714039031



**uncertainties and resource constraints** pose significant challenges to businesses in the food system environment. Economic instability, including inflation, interest rates, and geopolitical events, can disrupt consumer spending and market demand. Proactive financial management and contingency planning are required to mitigate risks. Securing adequate funding, skilled personnel, and technology within budget constraints hinders operations and growth potential, necessitating the repurposing of available resources for more transformative policies.

**Sustainability and global market expansion challenges** require businesses to integrate sustainability into their operations, supply chain management, and product development. This integration aims to meet environmental, social, and governance standards, enhancing brand reputation by aligning with consumer expectations for ethical practices and minimizing environmental impact. However, navigating these challenges involves considering trade-offs between short-term and long-term food and nutritional security. Globalization efforts face obstacles such as cultural differences, regulatory compliance, and complex logistical processes. To overcome these hurdles, businesses must conduct thorough market research, employ localization strategies, and establish strategic partnerships. Solutions must be locally developed, considering traditional and Indigenous cultures, to leverage opportunities and mitigate risks associated with global expansion effectively.

**Regulatory hurdles hinder an enabling environment for business growth and sustainability**. Navigating regulatory hurdles in the food system involves compliance with a broad scope of laws, regulations, and industry standards, demanding extensive resources, time, and expertise. Failure to address these challenges properly can divert attention and resources from core business activities, potentially resulting in fines or legal issues. Regulatory expertise is crucial to support businesses in understanding and complying with complex regulations, thereby maintaining operational efficiency, and mitigating legal risks.

### **KEY MESSAGES AND THE WAY FORWARD:**

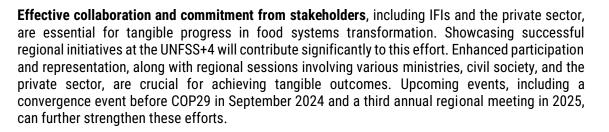
Below summarises the considerations, priorities, and way forward to advance FST in the region.

The climate crisis presents a profound challenge to the region, particularly impacting vulnerable groups. This crisis underscores the urgent need for convergence between food security and climate agendas, emphasizing both mitigation and adaptation strategies. In many countries, food systems and climate action policies are converging, although the level of convergence may be limited in and may not cover all relevant sectors. Collaboration between the environment and agriculture sectors is paramount in addressing these challenges effectively. The Convergence Initiative is asked to complement existing work and strengthen support from the UN system.

**Empowering National Convenors and enhancing the Ecosystem of Support** are crucial for transforming food systems. The Hub's role in building the capacity of National Convenors and facilitating their interaction with UN Resident Coordinators, Country Teams, coalitions, and the broader ecosystem is essential for addressing country-specific priorities. Inclusive governance and decision-making processes, involving civil society organizations, the private sector, academia, youth, women, and Indigenous populations are imperative for a bottom-up approach and to ensure the long-term sustainability of projects. Additionally, education and awareness-raising campaigns targeting producers, consumers, and decision-makers are vital strategies for achieving food systems transformation.







The promotion of traditional agriculture and Indigenous knowledge is invaluable in driving food systems transformation, highlighting the importance of preserving local practices. Interventions should prioritize collaboration between ministries, incorporate climate change mitigation and adaptation strategies, and integrate climate agendas into broader food systems transformation efforts.

The urgency of addressing food security and social protection in LAC calls for a people-centric approach, emphasizing the right to food. With a significant burden of food-related illnesses and high costs within the food system, there's a pressing need to enhance access to healthy diets, particularly fresh products, and address inequalities in food access. Socio-cultural changes, coupled with awareness-raising efforts and incentives, are deemed essential to drive meaningful progress. Moreover, prioritizing social protection strategies for small-scale producers is crucial for enhancing food security and climate resilience in the region. This entails implementing insurance schemes for small-scale farmers and bolstering school meal programs to ensure access to nutritious meals for all.

Countries require further support to adapt to shifting consumer preferences, trends, and buying behaviours, and to **shift consumption to healthy and environmentally sustainable dietary patterns**. Countries acknowledge that dietary food guidelines are key to generate cultural change and promote healthy lifestyles.

**Leveraging family farming within a circular economy framework** emerges as a significant strategy for food systems transformation in the LAC region, to promote localized production through public procurement and reduce negative externalities while fostering the development of small-scale sustainable farming.

**Emphasized importance of high-quality financial data** to measure the impact and gaps on food system transformation. The 3FS tool, developed by IFAD and the World Bank, was highlighted as a key resource for tracking financial flows to food systems. Efforts are being made to improve countries' access to long-term and affordable financing, with IFIs such as the World Bank and the IADB collaborating in this area. By understanding financial flows, countries can effectively identify areas needing investment. While funds are available for initiating food systems transformation processes, scaling up requires additional investors and support from IFIs and the private sector.

**Creating an enabling business environment and expanding international support**. The region has robust regulatory processes for the private sector, particularly regarding food labelling. These regulations serve as incentives for private sector improvement. Businesses require access to capital for research, development, and expansion initiatives to ensure financial stability and capitalize on growth opportunities. Therefore, funding and investment play crucial roles in facilitating innovation and progress within the food systems environment. Emerging startups require support to enter the market and the intense competition from established players. Countries and stakeholders require guidance on market analysis, localization strategies, and cultural considerations to successfully enter and navigate new international markets, minimizing risks and maximizing opportunities for growth.



**Empowering youth for the future of food systems.** Engaging young people in agriculture and sustainability initiatives is essential for cultivating the next generation of leaders and change agents. By providing opportunities for youth participation in decision-making processes, entrepreneurship, and skills development, these programs empower young individuals to contribute meaningfully to shaping the future of food systems while fostering a sense of ownership and responsibility for sustainable development. Countries are to identify and overcome obstacles to LAC youth participation, including language barriers and internet access.