



# Key takeaways and opportunities for Food Systems & Agriculture and Sustainable Finance in 2024

Yoshan Fazri, AGCO Finance’s Head of Sustainable Finance, represented us at COP28, engaging in discussions on Food Systems & Agriculture and Sustainable Finance. Here are the main takeaways and opportunities from the COP28 Conference that took place in December in Dubai.

COP28 stands for the 28th meeting of the Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change. COP28 addressed the issue of food systems and agriculture in relation to climate change through several key initiatives and commitments:

### 1. Political Focus and Momentum

The COP28 UAE Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action called on governments to incorporate food and agriculture targets into their climate planning tools. Over 150 countries committed to this, indicating a significant shift in the attention given to food systems within national climate plans.

### 2. Central Role of Farmers

Farmers were placed at the center of the food transformation, with their consultations guiding both public and private sector narratives and actions of food systems. This approach emphasized the importance of including farmers in the decision-making process and ensuring that their needs and perspectives are considered.

### 3. Private Sector Commitments

The private sector stepped forward to turn commitments into action, focusing on projects on the ground. There was a call to increase collaboration across the value chain,

including businesses, financiers, civil society, and local governments. This shows the growing role of the private sector in driving sustainable agricultural practices and food system transformation.

### 4. Financial Mobilization

Approximately \$3 billion was mobilized for food system transformation, with an elevated focus on unlocking both public and private finance. This funding is expected to accelerate innovation and research for adaptation and resilience, particularly in the Global South.

### 5. Regenerative Agriculture

Over 25 leading agriculture organizations committed to transitioning 160 million hectares to regenerative agriculture by 2030, backed by a \$2.2 billion investment. This commitment underscores the growing understanding that agricultural practices need to evolve to be more sustainable and that there is a business case for such transformation.

# Sustainable Finance Opportunities 2024

## Post COP 28

The COP28 Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action has underscored the critical role of sustainable finance in accelerating the objectives of sustainable food systems and agriculture. Here are some key reflections on how sustainable finance can be leveraged:

### 1. Unlocking Public and Private Finance

The COP28 declaration mobilized approximately \$3 billion for food system transformation. This funding is expected to stimulate innovation and research for adaptation and resilience, particularly in the Global South. The creation of a new blended finance mechanism, the Future of Food (F3), is a significant step towards accelerating and de-risking private sector investment into food systems.

### 2. Regenerative Agriculture

Over 25 leading agriculture organizations committed to transitioning 160 million hectares to regenerative agriculture by 2030, accompanied by \$2.2 billion in future investment. Sustainable finance can support this transition, providing the necessary resources for farmers to adopt regenerative practices.

### 3. Inclusion of Farmers

The declaration placed farmers at the center of the food transformation. Sustainable finance can ensure that farmers, particularly those in the Global South, have the resources they need to adapt to climate change and transition to more sustainable practices.

### 4. Collaboration Across the Value Chain

The declaration called for increased collaboration across the value chain, including businesses, financiers, civil society, and local governments. Sustainable finance can foster this collaboration, providing the necessary resources for all stakeholders to contribute to more sustainable and resilient food systems.



Yoshan Fazri at COP28

### 5. Innovation and Research

The declaration emphasized the need for innovation and research for adaptation and resilience. Sustainable finance can play a crucial role in supporting these efforts, including the new partnership between the UAE and the Bill and Melinda Gates Foundation to identify, fund, and scale agricultural innovation in selected countries. Increased funding was also provided to CGIAR for adaptation-focused agricultural research and innovation.

In conclusion, sustainable finance is a critical tool for achieving the objectives of sustainable food systems and agriculture. By providing the necessary resources for innovation, research, and collaboration, it can accelerate the transition to more sustainable and resilient food systems. Stay tuned for AGCO Finance's efforts in sustainable finance to clarify we are following up.

▶ For further reading, here's a link to COP28 UAE: