

# **Transforming food systems at scale** SNV in Agriculture





# About us

SNV is a not-for-profit international development organisation that makes a lasting difference in the lives of people living in poverty by helping them raise incomes and access basic services. We aim for premium quality and focus on three sectors: agriculture, energy, and water, sanitation and hygiene (WASH).

Our team of more than 1,300 staff is the backbone of SNV. With a long-term, local presence in over 25 countries in Asia, Africa and Latin



America, we know how governments work and how relationships are built. By applying our know-how, we can deliver impact at scale, through direct results and systems change.

We implement our programmes entirely through project funding awarded by public development agencies, foundations, multilateral banks, governments and the private sector. This requires us to work efficiently, realise effective solutions and invest in operational excellence every day.

## Investing in agriculture

In 2018 we had an active portfolio of €427 million. We use this funding to address the root causes of why agricultural and food markets fail to meet the needs of people living in poverty, and deploy our tested tools and market-based approaches. These include using a food systems lens to identify key bottlenecks, developing inclusive business models, working with public-private partnerships and launching innovative finance. We provide two agricultural products – inclusive value chains and sustainable nutrition for all – and our cross-sectoral products – climate and business and opportunities for youth employment.

#### In 2018, our interventions led to:

**nearly 1.18 million** people with increased incomes

**98,000** people with increased resilience to climate change

**85,000** people with increased food and nutrition security

# **Global trends in agriculture**

Extreme poverty has been significantly reduced since the 1990s, yet around 700 million people, most of them living in rural areas, continue to live in this state. High-input, resource-intensive farming systems, which have caused deforestation, water scarcity, soil depletion and high levels of greenhouse gas emissions, cannot deliver sustainable food and agricultural production.

As recognised in the UN's Sustainable Development Goals, there is a need for the sustainable intensification of agricultural production systems to protect and enhance the natural resource base while increasing productivity. This requires highlevel technological innovation as well as a transformative process towards holistic approaches that build on indigenous and traditional knowledge. Development must go beyond agriculture by involving rural and urban areas and supporting job creation and income diversification.

SNV recognises the urgent need to increase productivity and the

income of smallholders while reducing their vulnerability to climate change and lowering overall emissions from farming systems. Given the potentially far-reaching impacts of climate change and the enormity of the challenge, such changes need to happen at scale.

Climate change disproportionately affects smallholder farmers as their livelihood is linked to climatesensitive natural resources. It has been estimated that climate change could result in an additional 100 million people living in extreme poverty by 2030.

After decades of declining hunger and malnutrition rates, the number of people who suffer hunger has risen again in the last few years. Today, **almost 800 million people suffer from chronic hunger and 2 billion from micronutrient deficiencies**.

Women's contributions to local and community development are significant, but women have less control in decision-making and planning, especially in the agricultural sector. There is a wide body of evidence that the current agricultural production levels in Africa could be **significantly improved by changing the gender productivity bias**.

Young people in rural areas are often excluded from the labour market as their skills do not meet privatesector requirements. With millions of young people entering the labour market every year, there is **a pivotal need to develop more inclusive employment markets**. The agricultural sector, from production to processing, input and trade, can provide meaningful employment to many while making use of young people's innovative capabilities.



# Our targets for 2019–2022

In the new strategy period of 2019–2022, we will implement agriculture activities in 27 countries with an anticipated **direct impact on the lives of 9.7 million people**:

7.5 million women and men with increased income





1.3 million women and men with increased resilience to climate change 0.7 million women and men with increased food and nutrition security



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250,000 young women and men with improved (self) employment

# Our approach

Ending poverty and hunger, achieving food security and improved nutrition, combating climate change and its impacts, and achieving sustainable youth inclusion and gender equality require a focus on change at scale, that is sustainable beyond the time and space boundaries of projects.

A rethinking of food systems and governance is essential for meeting current and future challenges. Vertically coordinated, betterorganised food systems offer safe and nutritious food for urban and rural populations. These systems need to be accompanied by responsible investments and a concern for smallholder livelihoods, environmental footprints and impacts on biodiversity, gender and youth inclusion.

Implementation at scale is achieved by widening the scope of our operations to new locations and target groups. We work with partners, including private- and public-sector actors, to take up and implement the use of successful processes, technologies and models. We focus on smallholder farmers willing and able to implement farming-as-a-business, as well as the small and medium agricultural enterprises that are essential to transforming agricultural value chains.

We support systems change and develop markets so that they function more effectively, sustainably and beneficially for people living in poverty, building their capacities to improve their lives. Important elements are a systems change perspective, a focus on sustainability and a continuation of market services, facilitating changes that improve adaptive intervention and the way markets work.

We **leverage additional financial and technical resources** by providing entrepreneurs with a broader range of financial products. We also support them to access full commercial financing and to make markets more sustainable. Specifically, we improve our projectlevel partnerships and enter into structured partnerships with private and public institutions, with SNV in a technical assistance role. We continue to **develop the quality of services and resources** by building on our extensive experience on the ground. We develop tools and approaches to enhance the quality of the defined products and implement those across the project portfolio; regularly update conceptual knowledge; and use market-based approaches as the entry point, through improved market and systemic analysis and more investment in resources to develop sound business cases.

Knowledge development and management and learning across the organisation and between projects are key elements in ensuring premium-quality interventions and results.



# SNV agriculture products and strategic focus

To address global trends and challenges, we use four products in our interventions: **inclusive value chains, climate and business** (a joint product with SNV in Energy), **sustainable nutrition for all** and **opportunities for youth employment**. We continue to use and develop our gender approaches using **balancing benefits** and deepen the cross-sectoral nexus.



# Inclusive value chains

### Our inclusive value chains

product promotes inclusive and resilient growth in agricultural food value chains. We work across the production, transformation, consumption and commercialisation of agricultural products. We improve the performance of value chains by making them more resource efficient, competitive and environmentally sustainable. Small and medium farmers and other actors in the value chain are our key target groups. Inclusive value chains focus on a wide variety of food and commercial agricultural commodities, of which horticulture and dairy are the largest.

A set of tools has been developed consisting of various steps in the inclusive value chains product. The product's interventions focus on smallholder farmers willing and able to implement farming-as-abusiness as well as small and medium agricultural enterprises essential to transforming agricultural value chains.

### Value chain performance

Key intervention areas to improve value chain performance are:

- Developing the demand and supply of inclusive products and services;
- Increasing investment and business growth;
- Improving the enabling environment; and
- Knowledge development and learning.

## SNV IN AGRICULTURE



#### Our climate and business product

builds on our expertise in working with the private sector to accelerate the adoption and scaling of climatesmart business practices that incorporate productivity, resilience and mitigation measures along agricultural value chains. This reduces the vulnerability of small- and medium-sized enterprises, farmers and households to the impacts of climate change and helps them to increase productivity.

SNV helps companies to better understand and internalise climate risks into their business operations: we also help companies offer goods and services needed as a result of climate change. SNV brings together value-chain actors, authorities, research partners and investors to develop knowledge and accelerate the adoption of climate-smart practices. We also help actors along the value chain to develop business cases and support them in accessing financing. And we use evidence-based advocacy to support the development of conducive policies and legislation.

#### Climate-smart practices

- Assessment and identification: we use our climate-smart tools and the latest knowledge from climatechange research centres to analyse value-chain risks and identify sound business opportunities.
- Intensification and incubation: we encourage companies to adopt climate-smart practices that build in resilience and mitigation throughout the value chain, and stimulate agricultural growth, clean energy and food security.
- Acceleration and transformation: we attract private-sector financing that scales our impact, by supporting growth and the adoption of climate-smart practices throughout the value chain. We also work with authorities to support a conducive enabling environment for achieving transformation in the agricultural sector.





#### Our sustainable nutrition for all

approach is based on our extensive experience in sanitation, food security, value-chain development, climate-smart agriculture and gender. Through our integrated projects, we work to improve dietary practices and nutritional outcomes by developing food and nutrition security.

The sustainable nutrition for all approach integrates efforts in consumer demand, social and behaviour change, improved food supply, governance and market development. Our communitydriven product is anchored in local and national structures to ensure sustainable change and scalability. Evidence indicates that building capacity and leadership along with community ownership from the start of the programme is critical to ensuring sustainability.

#### Our approach

Our approach addresses underlying behavioural, cultural, environmental and governance constraints to improved nutrition through activities conducted simultaneously in four inter-related pillars:

- 1. Triggering behaviour change;
- 2. Creating demand;
- 3. Improving supply and access; and
- 4. Improving governance.

We trigger demand and behaviour change for improved nutrition by facilitating communities to undertake their own appraisal of how their nutrition habits impact their lives and to understand what they can do to improve their own situation.

The social and behaviour change communication activities we carry out improve household knowledge, attitudes and practices for good nutrition, dietary diversity and sanitation. We strengthen year-round access to nutritious agricultural products by, for example, increasing household agro-biodiversity, postharvest handling, local seed banks and nutrition at schools.

We also use market development techniques to generate income for improved food expenditure. Improving governance supports dietary diversity and better nutrition through multi-sector district-level nutrition platforms and integrated planning across all line ministries.

## SNV IN AGRICULTURE



Youth unemployment, and especially under-employment, is a chronic problem in most developing economies. Most employers are not willing to provide meaningful employment to young people, due to a (perceived) lack of skills or a mismatch with the skills that young people do have. Many young people do not envision an economically viable future in agriculture and are more drawn to urban-based sectors.

The opportunities for youth employment product uses a pushmatch-pull methodology that has been tested and refined in practice. The final evaluation of the opportunities for youth employment Mastercard Foundation project that was implemented in Mozambique, Rwanda and Tanzania from 2013 to 2018 confirmed that the model is highly relevant and effective, especially in the agricultural sector.

Our youth employment portfolio is growing rapidly and is increasingly being applied in our energy and WASH sectors.



## Our approach

The **opportunities for youth employment** approach is based on SNV's existing partnerships with the private sector: unskilled, employed young people are matched with real employment opportunities (pull), based on their expressed trade preference. Participants follow training and apprenticeships that will fast-track their skills development to enable them to succeed (push-match). Staff continue to coach and mentor young people during their employment (pull).

We expect the model to further evolve from a focus on employment creation towards youth economic empowerment, entrepreneurship and leadership. We also anticipate integrating the opportunities for youth employment model in our value-chain projects.



## Balancing benefits for gender equality

Our gender interventions are shaped through our **balancing benefits** approach. Using this method, we lower barriers in value chains and market systems that hinder women from contributing to and benefiting from agricultural and economic activities. Those barriers are often held in place by people's beliefs about the roles women and men should fulfil. Those beliefs are translated into policies, traditions and laws that confirm and strengthen the prevailing stereotypes.

To address this, we engage with households and communities to discuss gendered role division and gender relationship dynamics. Balancing benefits also means supporting the growth of women's businesses and female leadership. Household discussions are linked at the community, private-sector and government levels to support the development of policies and systems that help women thrive, making a difference to their families and societies.



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# SNV

Parkstraat 83 2514 JG The Hague The Netherlands

Phone: +31 70 3440 244 Email: info@snv.org

> www.snv.org twitter.com/SNVworld facebook.com/SNVworld linkedin.com/company/snv

