

# THE ROLE OF THE PRIVATE SECTOR IN FOOD AND NUTRITION SECURITY

*Global lessons learned and an overview of approaches of Alliance2015 partners*

**August 2018 – Executive Summary**

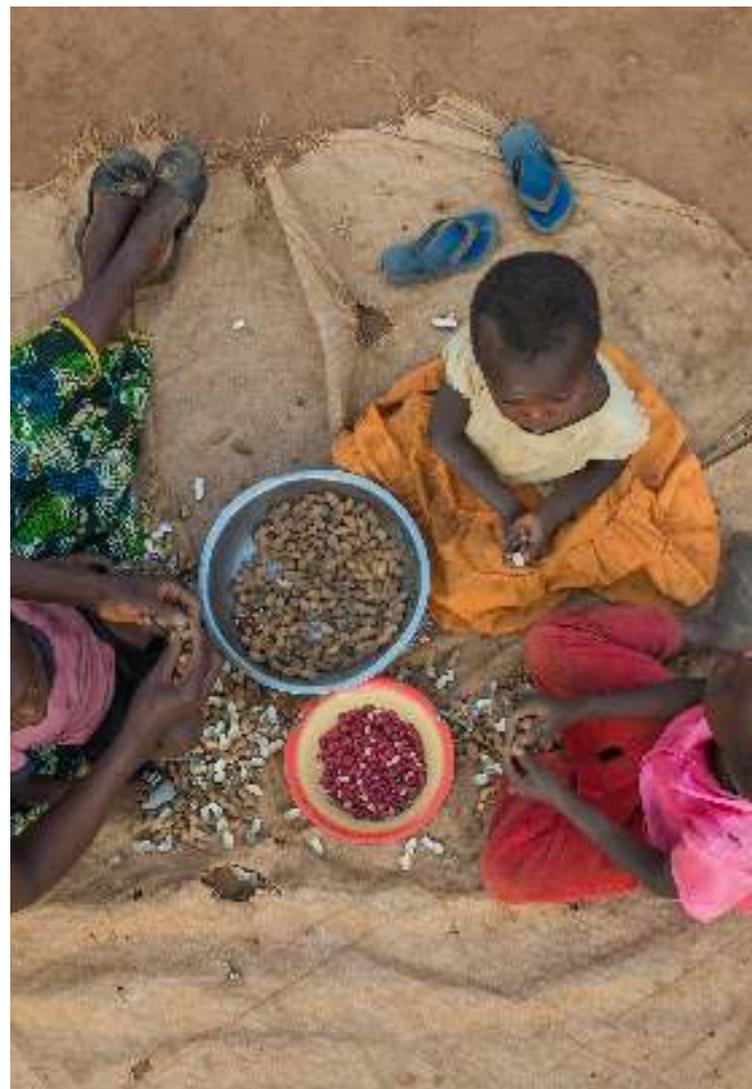


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**Engaging with private sector stakeholders to tackle food and nutrition security** has become an important SDG delivery strategy for the EU and other major development actors. However, the challenges, impacts and solutions offered by this strategy vary, requiring therefore **practical, evidence-based research** and sounder **multi-stakeholder, multi-sectoral partnerships**. It is also important to **fill knowledge gaps** and **develop smart, adaptive, inclusive and principled partnerships for policymaking and programming**. **Sustainability** is at the core of solutions to address malnutrition all over the world, and private sector engagement can contribute significantly towards food and nutrition security for all.

## *Background and problem definition*

Malnutrition remains an immense challenge worldwide, with at least one in three people globally affected in various ways. According to most updated Development Initiatives and FAO figures (2017), the number of **people experiencing chronic hunger** has increased from 777 million in 2015 to **815 million worldwide in 2016**, with **155 million stunted children under five**, and **52 million children wasted globally**. **Overweight and obesity** are also on the rise in almost every country, who therefore face a serious burden of either two or all forms of malnutrition commonly used as indicators for broader trends. **Private sector engagement** is often seen as a **development strategy towards livelihood improvement and poverty reduction**. However, not so many public-private partnerships to date have been explicitly established to achieve nutritional goals. It is therefore important to assess how the **potential of the private sector** can be unlocked **to address food security and malnutrition worldwide through nutrition-sensitive interventions**. The **role of NGOs** in promoting and establishing link-



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ages with markets and private sector stakeholders must be also better defined, whilst safeguarding fair and just food systems and preventing exploitation of producers/consumers.

This paper aims at providing an **overview on different policy frameworks** and especially **practical approaches** (also building on **Alliance2015 members' past and ongoing interventions**), to develop a common understanding and vision on private sector engagement for improved food and nutrition security.

## Key insights

- The private sector encompasses **all for-profit businesses** and ranges from financial intermediaries, multinational companies, micro, small and medium enterprises (MSMEs), cooperatives, individual entrepreneurs and farmers operating in the formal and informal sectors. **Private sector engagement** is commonly defined as **systematic efforts of development organizations to partner with businesses to achieve development results**, given the private sector's huge potential to act as a driver of sustainable and inclusive economic growth, job creation and poverty reduction. On the other hand, **corporate human rights abuses** – including for example child labour, environmental pollutions and land grabbing – are reported globally. Markets and private sector enterprises largely contribute to overnutrition, pushing populations to consume unhealthy foods by means of effective yet harmful marketing strategies – and especially targeting children.
- The Scaling Up Nutrition (SUN) business network identified five main routes towards meaningful private sector engagement, namely: investing in **agriculture and nutrition** by providing technological innovation and commercial skills at each stage of the value chain; enhancing **large scale food fortification**; boosting **innovation** and the adoption of **local solutions**; supporting food and nutrition education on the **workplace**; and increasing the number of **nutrition-sensitive interventions**. Following these workstreams, there is potential to positively leverage on private sector engagement for improved nutritional outcomes.
- Through **sustainable food systems (SFS)**, food and nutrition security can be improved in such a way that the economic, social and environmental bases to generate positive nutritional outcomes for future generations are not compromised. To make food systems **nutrition-sensitive and sustainable**, it is important to **generate and meet a demand for healthy diets through a blend of private and public approaches**; create an **enabling and supportive policy environment**; and support an **inclusive approach by proactively including vulnerable groups**. Value chains can also be made nutrition-sensitive by **addressing root causes and underlying determinants, empowering women, and raising awareness on healthy diets**.

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### Key recommendations

- Engaging with the private sector towards food and nutrition security can increase the **availability, accessibility and acceptability of nutritious foods on the local markets**, while increasing opportunities for **diverse agricultural production systems** to be translated into **dietary diversification**. The **NGO sector** can play a key role on this by **promoting the production and consumption of different crop varieties** (with a special focus on **staple foods**); **strengthening sustainable food processing practices, preservation and storing techniques**; and investing in **small-scale producers**, while **collecting evidence of the positive impact of their improved production on agricultural development and poverty reduction**.
- Targeting interventions towards **gender equality and women's empowerment** can enhance food and nutrition security by increasing control over household expenditures, food purchase and feeding practices. **NGOs** can engage with the **private sector** to create a **supportive and women-friendly environment by ensuring access to productive resources, income opportunities, extension services, information, credit, labour and time-saving technologies**. It is also essential to strengthen **women's voices in the household**, and **balance gender norms** by involving **community leaders in the effort**. Together with children, women also need to be targeted as potentially **vulnerable consumers** along the entire value chain.
- Agricultural production should rely on an environmentally sustainable use of resources, yet efforts must be made not to deplete that natural resource base, to strengthen vulnerable farmers' resilience and ensure sustainable food consumption. **NGOs can engage with the private sector on this by specifying criteria for sustainable production, as well as monitoring and containing the effects of climate change on diversified agroecological systems.**
- The private sector should play a role in the creation of an **enabling policy framework**, to increase the access to, and availability of, a wider variety of micronutrient-rich foods. An enabling policy framework should also **mitigate the impact of trade policies and tax incentives on small-holder farmers** (e.g. by way of safety standards and marketing regulations); support **informed food choices through nutrition labelling, dietary guidelines, nutritional education and behaviour change communication**; and maximally **align the priorities of the private sector with those of the public sector** to optimise the positive impacts of joint interventions on all forms of malnutrition.

