



RECOMMENDED INNOVATIVE FINANCING INSTRUMENTS FOR COUNTRIES, CONSIDERING THEIR ABILITY TO ACCESS FINANCING FLOWS FOR ENDING FOOD INSECURITY, HUNGER AND MALNUTRITION

A. LIMITED ABILITY TO ACCESS FINANCING

CONCESSIONAL FINANCE FOR DE-RISKING PRIVATE FINANCING

- Grants
- Low- or no-interest loans

Combined with technical assistance for effective de-risking

REALLOCATING FUNDS FOR FOOD SECURITY AND NUTRITION

- Debt swaps

Debt service reallocated towards food security and nutrition investments

- Special drawing rights reallocation

Increased lending opportunities for low- and middle-income countries

INSURANCE AND GUARANTEES FOR RISK-RESILIENT FOOD SECURITY AND NUTRITION INVESTMENTS

- Parametric insurance

Better management of agri-cultural risks.

- Risk Pools

Increased insurance affordability

- First loss

Absorbed losses for high-risk investments

B. MODERATE ABILITY TO ACCESS FINANCING

INCREASED FUNDING FOR PUBLIC SPENDING

- Sovereign bonds

Linked with contingencies to decrease default risk

- Health taxes

Increased revenues and healthier food environments

DE-RISKING FOOD SECURITY AND NUTRITION INVESTMENTS THROUGH BLENDED FINANCE

- Donors and development finance institutions
- Public sector and development banks
- Philanthropic foundations

Strategic placement to further leverage private funding environment

INSURANCE AND GUARANTEES FOR RISK-RESILIENT FOOD SECURITY AND NUTRITION INVESTMENTS

- Parametric insurance

Better management of agricultural risks

- Risk pools

Increased insurance affordability

- First loss

Absorbed losses for less risky investments

C. HIGH ABILITY TO ACCESS FINANCING

SCALING UP FINANCING WITH SUSTAINABILITY CONSIDERATIONS

- Green, social, sustainability and sustainability-linked bonds

Increased private financing for development objectives

EMBEDDING DEVELOPMENT OBJECTIVES IN INCREASED PRIVATE FINANCING

- Results-based funding

Mobilized private financing for better development impacts

- Incubators and accelerators

Projects financed in early stages

- Impact investment funds

Public-private finance mobilization

INSURANCE AND GUARANTEES FOR RISK-RESILIENT FOOD SECURITY AND NUTRITION INVESTMENTS

- Parametric insurance

Better management of agricultural risks

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Increased insurance affordability

- First loss

Absorbed losses to boost project bankability