



INTERNATIONAL  
FOOD POLICY  
RESEARCH  
INSTITUTE



# FOOD INDUSTRIES FOR PEOPLE & PLANET

## A New Research Agenda

Food systems around the world are changing rapidly, presenting exciting opportunities and major new challenges. Capturing the benefits and understanding the barriers will require research to link agriculture, nutrition, and sustainability to businesses, marketing, and profits.

The food industry has great potential to stimulate economic growth and innovation, create jobs, and satisfy changing consumer demand in developing countries, particularly in those experiencing rapid urbanization. In more developed countries, firms have expanded across national boundaries and technological innovation in the sector is driving improved efficiency, lower costs for consumers and producers, and reduced food loss and waste along the value chain. These trends can help diversify the world's food supply, and enhance global food quality and safety.

At the same time, increased consumption of processed foods has raised concerns about the modern food industry's impact on global health and nutrition. Furthermore, integrated global food chains increase the risk of foodborne diseases and exert additional environmental pressure through increased use of energy and other natural resource. Finally, market concentration and the need to produce for global markets present barriers for smallholder farmers and small- and medium-scale food producers and service providers.

Food policy research has typically focused on agricultural development, staple crop analysis, and nutrition studies. Yet within a landscape of urbanization and shifting dietary preferences, there is an increasing need to study food value



## WHAT WE MEAN BY...

**Food systems** Seven broad categories of processes: 1) agricultural inputs and production; 2) food storage, transportation, and trade; 3) food processing and transformation; 4) food retailing; 5) food services; 6) food waste recycling; and 7) policies and regulatory frameworks for food markets.

**Food industries** Complex networks of farmers and diverse businesses that produce, transform, and deliver food to the world's population.

**Value chains** The interlinked processes that add value to a raw product and deliver it to a consumer.

chains from a demand-side perspective, considering incentives and political economies and investigating how these shape food supply. At the nexus of these interactions is the midstream food industry—that is, food distributors, manufacturing industries, and service providers. Yet the impacts of this rapidly changing sector on global food security, health and nutrition, and environmental sustainability remain poorly understood.

To address this gap in knowledge, the International Food Policy Research Institute (IFPRI) is launching a new research program on “Food Industries for People and Planet” (FIPP).

Through this program, IFPRI and its partners will provide evidence-based policy assessments to make agri-food industries and food systems more efficient in meeting



the food needs of the growing global population; more inclusive in terms of employment and income opportunities; and more conducive to the promotion of healthy diets and environmentally sound food systems. FIPP will address key policy questions through integrated country-, value chain-, and company-specific studies that encompass the wider spectrum of the agri-food industry.

Building on its comparative advantages, IFPRI and its partners will focus on three interrelated areas of research:

## 1 RESHAPING AGRICULTURE TO SUPPLY RAPIDLY INDUSTRIALIZING FOOD SYSTEMS

Applying a demand-side lens, this research area will study the impact that evolving agri-food industries have on market access, food prices, technology adoption, and market interlinkages (such as land, credit, and output markets), as well as the role that policy makers can play in influencing these changes. Research will examine the main drivers of increased business and market concentration of inputs and outputs in the global food industry, as well as how such concentration may affect market efficiency and competition. This research area will further focus on how innovation and new technologies introduced along the food value chain are impacting farm systems and the accessibility of healthy food. It will also examine the growing problem of food loss and waste at all stages of the global food value chain.

## 2 INCLUSIVE AGRI-FOOD VALUE CHAINS FOR JOB CREATION

In the context of changing food markets, there is a need to develop inclusive business models that bring women, youth, and vulnerable populations into food value chains. This research area will assess the effectiveness of policy options to create more inclusive, well-developed food value chains that spur progress toward global food security and sustainability targets, such as the Sustainable Development Goals. Research will examine the infrastructure and enabling environments needed to promote equitable food value chains that empower youth, women, and other marginalized populations and to strengthen rural-urban linkages in developing countries. The research area will also examine the implications of agricultural incentives, trade policies, and social and



### FIPP WILL INFORM POLICY BY:

- Improving our understanding of the implications of food business market strategies and dynamics for global food security and nutrition
- Piloting interventions that develop inclusive value chains
- Collecting, analyzing, and utilizing data to help reduce food loss and waste through targeted interventions
- Undertaking cost-effectiveness studies of price and regulatory incentives to influence both consumer and modern food industry supply behaviors that encourage food safety and the adoption of healthy diets
- Providing evidence on the environmental impacts of modern food systems and on incentive schemes promoting the development and adoption of innovative, sustainable technologies

environmental protection, as well as how information and communication technologies (ICTs) can be used to drive inclusive value chain development.

### 3 SUPPLY AND DEMAND INCENTIVES FOR FOOD THAT IS HEALTHY AND SAFE FOR PEOPLE AND PLANET

This research area will improve our understanding of the risks posed by modern food systems to food safety, the environment, and nutrition and will assess innovative policy approaches to mitigate these risks. Research will examine how consolidation and vertical integration of food industries, as well as public and private sector policies, are influencing global dietary patterns and nutritional outcomes. It will also address how traceability, regulations, and technologies can support and improve global food safety and how policy makers can encourage consumption of a diverse range of healthy and/or biofortified foods. Finally, this research area will examine the macroeconomic costs—both global and national—of the health impacts related to food-safety risks and the triple burden of malnutrition, as well as the environmental costs of changing dietary preferences.

### WHY IFPRI?

Consistently ranked as a leading global think tank with distinction in agricultural economics, economics, and international development, IFPRI is well placed to develop and implement this program on the transformation of agri-food industries. IFPRI staff combine rigorous research experience and considerable programmatic experience working with developing country governments, civil society, the donor community, and private sector agents. Over the last 15 years, IFPRI has worked to assess the impact of changing agricultural and food market structures and agricultural incentive policies on food prices and food price volatility, international trade, and value chain development. IFPRI researchers have also developed new methodologies to measure food loss and waste along value chains and have identified interventions to tackle the key causes of such food-system inefficiencies. Through this extensive experience, IFPRI can offer a strategic view of food systems—from inputs to agricultural production, food processing, distribution, marketing, consumption, recycling, and governance.

In addition to its own extensive experience, IFPRI will call upon the expertise of trusted research partners—as well as policy makers and food industry stakeholders—to ensure that the new research agenda has a strong impact on policy. With more than 20 founding members from donor agencies, think tanks, universities, and NGOs worldwide, the FIPP Multistakeholder Consortium will act as an interface between research and implementation. The Consortium aims to become a principal provider of knowledge and evidence on modern food systems, particularly with respect to the role of actors and markets in the midstream of the food sector.

For further information, please visit <http://www.fipp.ifpri.org>.

For general inquiries regarding the FIPP research program, please contact IFPRI-FIPP@cgiar.org. For specific questions, please contact **Rob Vos** (r.vos@cgiar.org) for research-related issues and **Sara Gustafson** (s.gustafson@cgiar.org) for outreach.

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