



WORLD BANK GROUP

Terms of Reference

Short Term Consultancy - World Bank Agriculture and Food Global Practice, Data-Driven and Digital Agriculture Team (DD-DAT)

Support to the development of a *Global Digital Accreditation and Acceleration Facility* and a *Start-Up Fund* for a public and private investment pipeline for high impact innovation

Expected Start: September 2021 – 6 Months

CV and Cover letter to be sent to dddag@worldbank.org before 3 September 2021

Background

The Data-Driven Digital Agriculture Team (DD-DAT), in the Global Engagement Unit of the Agriculture and Food Global Practice, leads the global analytical and advisory work on data driven digital agriculture at the World Bank.

Digital Agriculture (DA) is a catalyst with wide-ranging potential to transform agro-food systems and affect the lives of billions. Digital technologies dramatically change the interactions between the unparalleled number of actors across the food system, comprising farmers, upstream and downstream enterprises, consumers, and public sector institutions. By reducing transactions costs and asymmetry of information, they offer solutions to solve the market failures that plague our agro-food system. With a growing two-thirds of the world population having a mobile subscription and nearly half using the internet, digital technologies can offer the 570 million farmers worldwide solutions to make more precise decisions on labor, capital, and natural resource management, lower the costs of linking them to the upstream and downstream markets, increase transparency of agricultural value chains through improved access to information and product traceability, and enhance the knowledge of the world's 7.5 billion consumers on food choice aspects such as price, nutrition, production practices, climate change and environmental impacts.

The digital transformation of the agro-food system is led by the private sector, but there is a role for the public sector to maximize societal gains of improved efficiency, equity and environmental sustainability offered by these technologies, while mitigating the potential risks. Indeed, supply and use of digital technologies in agri-food systems is fundamentally a private sector activity, driven by private gains of the profit-maximizing producers and utility-maximizing consumers. However, often private economic agents may not have the right set of incentives to make rational decisions due to the existing market or policy failures, lack of public good provision, or their bounded rationality (i.e. not having enough information about the choice options and the impacts of their decisions).

But digital transformation of the agro-food system is lagging behind other sectors and the public sector has a role to play to increase the pace of change. The development of a thriving AgTech ecosystem requires the supply of global public goods and institutional innovation allowing to coordinate knowledge and create partnerships. Indeed, the AgTech ecosystem itself is held back by coordination failures with a scattered data and digital innovation landscape. Stakeholders (innovators, farmers, governments, research, finance) are struggling to find each other, connect and collaborate, making the use of data and analytics and the scaling up of innovative solutions particularly difficult. As a result, opportunities to use digital technologies to solve problems are not being exploited, particularly around high impact innovations for smallholder farmers. For example, recent ecosystem studies in Kenya and Nigeria, found that an important constraint for innovators, is access to use cases and data. Access to patient capital is also a problem. There is an increasing amount of initiatives supporting seed funding, but the next steps allowing solutions to reach commercial viability, are often difficult to reach. This is not necessarily because of the lack of available funds, but because of the inadequacy of information available compared to what investors need to make investment decisions. Ecosystem.

Operational staff and public sector clients are confronted by the same coordination issues as in the rest of the AgTech ecosystem. They have difficulties to find and assess data and existing innovations which could inform and solve the specific issues they are confronted to. They are also not always knowledgeable about the enabling environment, including the institutional and policy environment, needed for the scaling of these innovations. To meet the growing demand among World Bank client countries to harness digital technologies and data to transform their national agri-food systems, they need to be empowered with the requisite knowledge, data access, partnership network and core skills.

The World Bank has a role in supporting the scaling up of public sector data-driven and digital approaches by providing technical advice and facilitating partnerships to accelerate innovation and supporting policy development. To this end, the World Bank is developing Global Public Goods for data and innovation. It is also working with governments to develop a Digital Agriculture Strategy, including the development of a comprehensive and integrated data strategy and data platform, as well as digital innovation ecosystems.

Objective

DD-DAT is looking for support for the **development of a Global Public Good to support scaling up of high impact digital innovations for the food system.** This would participate in a multi-stakeholder coordination mechanisms to support the use of digital innovation in World Bank operations, the development of digital agriculture strategies by governments in client countries and the acceleration of high impact digital innovations.

To support better coordination between innovators and public and private finance institutions, the World Bank is developing a **Global Digital Accreditation and Acceleration Facility** and a **Start-Up Fund** to support **a public and private investment pipeline for high impact innovation.**

- This facility would allow to identify and accredit mature high impact solutions from around the world to make them more visible to potential public and private partners including our operational team, and help them participate in an investment pipeline with both public and private investors.
- The facility and investment pipeline would be linked to regional and local **pool of expert partners** under **Digital Innovation Hubs**, supporting access to use cases, data, knowledge, and

business facilities (when possible in partnership with governments), providing an enabling environment for the scaling of selected innovations.

- Developing a **Start-up fund** with **the IFC** and **development partners** which would feed into the investment pipeline

This facility would be linked to interactive tool to make it easier for World Bank operation teams and ultimately a broader set of stakeholders, to identify technologies and example of use cases where they have been used, providing more practical information about the potential for their own operations. The information will be readily usable by operational teams, through accompanying use case examples.

Tasks:

1) Support the creation of a Digital Innovation Accreditation and Acceleration facility for the Agriculture and Food System and a Start-Up fund.

- Lead research looking into:
 - Research impact investment trends, related thematic areas in alternative finance, financial instruments, impact venture business models, impact assessment and reporting approaches, private sector grants, etc.
 - What is the enabling environment of impact investing? What are the new financing solutions for patient capital in the digital space in the agro-food sector but also in other sectors which could have potential implementation in the agro-food sector?
 - How can stakeholder collaborate on aligning investments on high impact solutions and SDGs in the agro-food sector to create an investment pipeline from early stage finance for innovation for smallholder farmers for the acceleration of mature digital innovation.
 - How to measure progress and evaluate impact.
- Support consultations with key partners for relevant initiatives and support the development of a partnership network with stakeholders (social enterprises, government, investors, academia, private sector, etc.) under the facility
- Support the creation of a Start-Up fund with the IFC and development partners.
- Support the organization of workshops bringing together stakeholders from the public and private impact investing community in agriculture and food including Bilateral and International Development Finance Institutions to i) better understand constraints to investing in digital solutions for the agriculture and food system; ii) create a dialogue between different stakeholders to better understand their respective needs and identify how they could cooperate in an investment pipeline for the acceleration of digital innovation in the agro-food sector.
- Contribute in developing a detailed work program and work plan to track progress of the workstream.

Experience and Qualifications:

- Master's degree in Economics, Finance, Business, Management, International Relations, other related fields.
- Minimum 7 years experience in the domains of Private Finance, Private Equity, Entrepreneurship, Investment, Venture Capital, Business Development, and Business Incubation and Acceleration in the agriculture and food ecosystem.
- Experience in the fields of project management, innovation, research, communication, and partnership.

- Experience and understanding of the agro-food and data-driven and digital agriculture sectors with a focus on impact investing ecosystem and innovative finance landscape in the digital space.
- Experience working in an international organization and multi-cultural environment is an advantage.

Competencies and special skills requirement:

- Knowledge of innovative finance and impact investment in agriculture and food system,
- Knowledge of the digital transformation of the agriculture and food system, and its role for the SDGs in the context of developing economies would be as strong asset.
- Strong project management (planning, organization, and implementation) and partnership skills
- Fluency in written and spoken of English
- Ability to work under pressure with minimum supervision and on-distance and ability to work and deliver under short deadlines.
- Strong team spirit

Duration:

The consultancy will run from September 2021 for six months.

Reporting

The consultant will work closely with Marie-Agnès Jouanjean, Economist in the DD-DAT, and will report to Parmesh Shah, Lead Rural Development Specialist.