2. Zero Hunger
How business leadership can advance Goal 2 on Eliminating Hunger

Hunger and malnutrition pose significant barriers to human wellbeing and economic development, with nearly one in eight people and one in four children suffering from chronic malnutrition. These pressures threaten to increase with intensifying pressures on natural resources, while impacts from climate change will also frustrate food systems. Further, farmers around the world, making up a large share of employment in developing countries, struggle to make a livelihood from agricultural activities.

Businesses play a central role in providing food to communities and combating hunger and malnutrition. Without careful management and safeguards, company operations can negatively impact the local food security of communities surrounding their operations and supply chain. A particular problem is abuse of land rights through land grabbing. Businesses in all sectors should ensure that land used throughout their supply chain is not, and has not, been taken without free, prior and informed consent from local communities. Companies can also negatively impact communities by restricting access to agricultural inputs including seeds, water supplies, knowledge and finance. Responsible supply chain practices that respect land rights and support smallholder farms can help two-thirds of the world’s population address hunger and achieve economic development. Business is also an emitter of greenhouse gasses, which contribute to climate change and thereby can exacerbate hunger through impacting yields.

Companies can provide leadership on Goal 2 to eliminate hunger. Business in the agriculture and food sectors, but also a variety of related sectors such as chemicals and biotechnology, are crucial to eliminating hunger through product and process innovation that reaches all global regions and communities. A key way to address hunger is by improving productivity and sustainability, market access, and access to opportunities for upgrading into more value-added activities for small-scale agriculture. This serves to provide more abundant and secure food supply for local communities and directly raise incomes of smallholder farmers. Companies can innovate, invest, and share knowledge to help increase the productivity of farmers in its supply chain and wider communities; and, they can restructure their supply chains such that a greater proportion of revenues goes to the farmers and their workers by reducing the need for intermediaries that exploit their vulnerability for their own gain. Companies can also lead by improving food distribution channels to combat malnutrition in areas with limited access to healthy foods and develop fortified crops and processed foods that are compatible with development goals for human and environmental health. To combat the significant global food waste problem, companies can lead in the development of technologies and processes to eliminate food waste from their end-to-end operations, to ensure better food availability to communities around the world.

Businesses can benefit from ending hunger as it allows them to access new and previously underserved markets. Further, existing malnutrition levels are estimated to be as high as 11 per cent of national GDP per year. The greatest market opportunities today are also the areas seeing the fastest population growth, which will increase demand for food up to 200 per cent from current levels by 2050. In many cases, reducing food waste directly improves the financial baseline: deploying sustainable agricultural solutions and reducing food loss and waste are each projected to deliver over $650 billion in annual value by 2030.

Eliminating hunger and improving agricultural incomes can have direct positive impacts on advancing Goals 1, 3 and 8 by increasing rural and developing country incomes and access to nutrition. Given the high rate of women farmers, especially in Africa and Asia, progress on Goal 2 can also further efforts to achieve gender equality (Goal 5). At the same time, businesses should be careful to reduce the risk of negative impacts. Intensive agricultural practices risk water scarcity and pollution (Goal 6), greenhouse gas emissions (Goal 13) and soil degradation (Goal 15). Leading businesses manage these risks through support for sustainable farming practices.
2. HUNGER

Business Actions in Support of Goal 2

Targets of Goal 2

2.1 End hunger and ensure year-round access to safe, nutritious and sufficient food

2.2 End malnutrition and address nutritional needs of all groups

2.3 Double the agricultural productivity and incomes of small-scale food producers

2.4 Ensure sustainable food production systems and implement resilient agricultural practices

2.5 Maintain the genetic diversity of plants and animals though seed and plant banks and share benefits of genetic resources and traditional knowledge

Business Actions

1. Support farmers to increase yields and incomes from sustainable, small-scale agriculture

2. Alter food manufacturing, distribution and retail to contribute to ending malnutrition and hunger in all communities surrounding company operations

3. Work towards eliminating food waste and loss
Do your actions satisfy the Leadership Qualities?

### Intentional
- Is your company committed to supporting the achievement of Goal 2? Have you developed a holistic strategy that reflects this commitment, covering end-to-end operations and the wider community?
- Are you committed to learn from your actions and do you have processes in place to improve them accordingly?
- Is your strategy supported by the highest levels of management, including the Board of Directors?

### Ambitious
- Do your actions achieve long-term outcomes that greatly exceed those resulting from current industry practice?
- Are your actions aligned with what is needed to achieve Goal 2?

### Consistent
- Is support for Goal 2 embedded across all organizational functions?
- Are staff and board incentives aligned with achieving Goal 2?

### Collaborative
- Do you proactively look for opportunities to partner with Governments, UN agencies, suppliers, civil society organizations, industry peers and other stakeholders to inform how to advance Goal 2?

### Accountable
- Do you publicly express your commitment to advance Goal 2?
- Do you identify, monitor, and report on impacts, including potentially adverse impacts?
- Do you mitigate risks associated with your action?
- Do you remediate negative impacts associated with this action?
- Do you engage stakeholders in a meaningful way?

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**Key Considerations for Goal 2**

An explicit commitment to reduce hunger and malnutrition, observed throughout the company, is essential for long-term success in addressing Goal 2.

Ambition on Goal 2 must bring about the fundamental shifts required to eliminate hunger at scale, which often means the impact of action goes far beyond own operations, supporting communities surrounding end-to-end operations, including that living wages are paid.

Consistency of the actions of all departments is required to ensure that all the company addresses hunger from all angles that it can influence, including through its external communications, government relations, and legal departments.

Collaboration for Goal 2 requires working across disjointed markets to manage land acquisition and food resources to end hunger. Foodshed-level management requires stakeholder engagement with a range of suppliers, consumers, and retailers to manage food resources to meet the maximum need with minimum waste.

Monitoring and publicly reporting on sustainable land acquisition, agriculture, and consumption practices is key for realizing Goal 2. Where action reaches areas with vulnerable populations and ecosystems, social and environmental safeguards must be in place, and risks of negative impacts carefully managed.
How taking action on Goal 2 is interconnected with other Goals

The Global Goals are inherently interconnected. Action taken toward one Goal can support or hinder the achievement of others. Identifying and addressing these interconnections will help business to build holistic and systemic solutions that amplify progress and minimize negative impacts. To help build a greater understanding, we have illustrated some of the ways in which the Goals connect. These are not exhaustive, and we encourage business to consider how they apply in their own operations.

Maximise likelihood of positive impact on:

Improved agricultural productivity, especially amongst smallholder farmers, will increase incomes in rural areas (Goal 1), where the majority of incomes are tied to farming, which creates opportunity for women and children to pursue education (Goal 4) boosting gender equality (Goal 5). In areas with conflict between forest resources and agriculture, sustainable agricultural practices, that respect rights around land use, reduce deforestation (Goal 15), while providing living wages to laborers supports progress on decent work (Goal 8). Introducing climate smart agriculture practices contributes to community resilience to climate change (Goal 13). Business action to research and produce goods and services that reduce malnutrition and hunger will directly advance goals related to health and well being (Goal 3) and support sustainable industry in developing countries if conducted inclusively (Goal 9).

Minimise risk of negative impact on:

Water-intensive irrigation techniques and fertilizer use may improve agricultural yields over the short-term, but may exhaust the long-term productivity of agricultural land and place stress on water resources (Goal 6). It may also produce high levels of greenhouse gas emissions (Goal 13) and fertiliser runoff into water resources (Goal 14). Efforts to increase calorific intake in undernourished areas and irresponsible marketing of high sugar products, particularly to children, can create chronic health issues such as obesity and diabetes (Goal 3). These can be managed with education campaigns and products that deliver nutrition along with calories. Labour abuses in agricultural activities, including child and forced labour, must be replaced with decent work and living wages in order to support Goal 8.
BUSINESS ACTION 1  
Engage in the creation of secure and decent jobs, especially in least developed countries and for vulnerable populations

Smallholder farmers around the world can struggle to make a profit from producing food, and most of the world’s undernourished people depend on agriculture for their livelihoods. To address this challenge, businesses can help smallholders increase yields and incomes from sustainable agriculture. Responsible sourcing of agricultural products and acquiring land for other purposes requires businesses to respect land rights, pay fair prices, and ensure that all members of their supply chain avoid unsustainably exploiting resources such as water, land and (especially women’s) labour. Leading businesses go beyond this and support smallholders directly, including through building capacity and sharing knowledge on agricultural resilience techniques, developing risk sharing initiatives, supporting marketing skills for different agricultural markets, identifying practices for increasing agricultural yields in different environments, restructuring supply chains to avoid intermediaries that exploit producers, and enabling and promoting better pay and conditions for farm workers. Examples of investment in smallholder-oriented infrastructure can include redesigning processes to accommodate dispersed supply chains or sharing irrigation infrastructure to improve efficiency and decrease costs. Finance and technology transfer systems can be adapted to smallholder systems in order to promote inclusive growth and encourage sustainable production.

Example practice

• A coffee retailer shares ten years of proprietary agronomy research to farmers in developing countries to help them increase yields and farm sustainably

• A fruit company ensures decent income for small-scale farmers by providing long-term contracts, having direct relationships with growers, engaging in capacity-building for sustainable agricultural practices and having fixed pricing 

• An international tea company partners with Malawian tea producers, trade unions and NGOs to ensure that a living wage is paid to smallholder farmers and that sustainable production methods are used 

• An agricultural bank launches a low-collateral finance tool targeting rural farmers, and especially women, through group lending practices to increase rural incomes by 50 per cent

• A beverage manufacturer adopts a zero tolerance policy for exploitation of land rights and deforestation in its supply chain to promote free, prior and informed consent of indigenous communities where land is acquired or cultivated

Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: smallholder farming requires wide collaboration with communities, industry peers, governments, civil society, and development organizations to build capacity across a range of providers and set up systems of institutional support that enhance local food security

Accountability: agricultural supply chains are especially vulnerable to land rights abuses and are often tied to deforestation. Businesses need to guarantee accountability in their production, which in forest-related supply chains - such as palm oil, timber and livestock – can often be supported by incorporating traceability.

Interconnectedness: support for smallholder farming spans across people focused sdgs. For example, microlending schemes help support women farmers (Goal 5) and increase rural wages (Goal 1). Efforts to reduce emissions related to agriculture to improve long term agricultural yields will further progress on climate targets (Goal 13).
BUSINESS ACTION 2
Alter food manufacturing, distribution and retail to contribute to ending malnutrition and hunger in all communities surrounding company operations

Companies that manufacture food and beverage products can deploy versions of these products that reduce hunger and increase nutrition for consumers. Leading companies will develop products responsive to the nutritional needs of the poor and disadvantaged groups, and support other Goals in their delivery. For example, food manufacturers can develop fortified nutritional products for a target audience such as infants and mothers, while managing the risks of obesity and other diet-based disease that can be furthered through processed foods. Food distributors can maximize access to food products by using packaging materials that do not require refrigeration where access to electricity is low. Companies at all stages of the supply chain can collaborate to ensure that adequate nutritional products are available at prices that remain accessible to undernourished communities.

Example practice

- A food manufacturing company develops nutrient-fortified grains to deliver nutrients and vitamins to malnourished populations, with production facilities in developing countries and workers including smallholder farmers, over half of whom are women.

- An agricultural product development company develops ready-to-use therapeutic food products for infant and maternal consumption in areas suffering from malnutrition, while avoiding processed foods.

- A food distributor uses aseptic, biodegradable packaging to provide access to food that does not require refrigeration or preservatives, expanding the reach of food distribution networks.

- A food retailer adapts the price of fresh, healthy meals based on the local community’s income to ensure a higher access to healthy foods.

Consider the leadership qualities and interconnectedness of your action, including...

Collaboration: A zero hunger research agenda requires collaboration with research institutions, local labour markets, civil society and nutrition-focused international organizations including the FAO, UNICEF, World Food Programme and others; collaboration with national governments and export businesses is important to allow trade of nutritional products to areas of need.

Accountability: Ingredients, supply chains and test results for newly developed consumables must be promoted throughout communities targeted for new products, and educational campaigns including how products fit into a balanced and healthy diet, are important to avoid abuse or misuse of fortified food products.

Interconnectedness: This action can help promote innovation and sustainable industry in developing countries (Goal 9), meet specialised post-natal health needs of mothers and infants as well as children in malnourished areas (Goal 3).
BUSINESS ACTION 3
Work towards eliminating food waste and loss

A third of produced food ends up as waste. Reducing this waste in effect increases food supply and is an important element in reducing hunger and undernourishment. As with other resources, all business can strive to minimize food waste through planning, providing maximum information to consumers and reusing leftover food products as compost. Leading businesses go further, by shifting demand and creating new markets to include healthy foods that would otherwise go to waste due to cosmetic imperfections, lack of refrigeration or high prices. Waste management companies can lead on reducing food loss and waste by pricing waste by weight or volume, and engaging with other stakeholders on reducing the amount of waste they produce.

Example practice

- A produce store **sells produce that would be considered ‘deformed’ at a discount** to reduce food loss and combat hunger
- A grocer **incorporates ‘smart’ packaging that indicates when meat spoils** to allow customers to use food products through their full shelf life
- A restaurant **sells high-quality leftovers through a mobile app for a lower price** in order to reduce food waste

Consider the leadership qualities and interconnectedness of your action, including...

**Collaboration:** Consumption of food products can span multiple markets throughout a product’s lifetime. Collaboration across supply chains, including farmers, grocers, restaurants, customers and civil society (including food banks) is required to develop efficient food management processes and reduce waste.

**Ambition:** Leadership on reducing food waste and loss requires implementing zero waste commitments across company operations, through reducing excess food supply, reusing excess stocks, and recycling food products that are no longer consumable.

**Interconnectedness:** This action is closely related with actions to improve resource efficiency of business (Goal 12) and decent work (Goal 8).
References

SDG Compass
UN Global Compact Industry Matrix
Global Opportunity Explorer
Navigating the Goals: a business guide to engaging with the UN Global Goals
SDG Reporting - An Analysis of the Goals and Targets
Sustainable Development Knowledge Platform, Goal 2
Improving nutrition through agriculture (IFAD)
Better Business, Better World
UNICEF Position Paper: Ready-to-use therapeutic food for children with severe acute malnutrition
Global food losses and food waste