

IMPACT INVESTING FOR NUTRITION: PRINCIPLES FOR ACTION

December 2024



DISCLAIMER

The information in this report is provided “as is”, without any express or implied warranties or representations. The user of the information agrees that any use of the information is at their own risk. All implied warranties with respect to the information are expressly excluded and disclaimed, to the maximum extent permitted by applicable law.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall Access to Nutrition Foundation nor any of its affiliates or contributors to or on the principles have any liability regarding any information contained in this report for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages, even if notified of the possibility of such damages.

ACKNOWLEDGEMENTS

The Nutrition Impact Investing Principles were developed by ATNi in consultation with Aceli, Food Systems for the Future, GAIN, IDH, iGravity, Mango Fund, Shona Capital, Truvalu, USAID, Wellspring-Development, and World Wildlife Fund.

This research was made possible through the generous support of ATNi's donors. Further information about our donors can be found on our dedicated [donors'](#) page.

TABLE OF CONTENTS

1	Introduction	4
2	Context/Problem Statement	6
2.1	The scale and nature of the global nutrition challenge	6
2.2	The socio-economic implications: LMICs and beyond	7
2.3	The international policy response	7
2.4	The role of impact investments	8
3	Nutrition Impact Investing Principles	9
3.1	The need for an overarching definition of investing in nutritious foods	9
3.2	Nutrition Impact Investing Principles	9
3.2.1	Principles for Inclusion Criteria	10
3.2.2	Principles for Exclusion Criteria	12
3.3	Directory of funds working across each Principle for Included Investments	13
3.3.1	Enhance Nutritional Impact	13
3.3.2	Improve the Supply of Nutritious Foods	13
3.3.3	Ensure Equitable Access to Food	14
3.3.4	Promote Consumer Awareness of Nutrition	14
3.3.5	Enhance Nutritional Quality	14
3.4	Inclusion and Exclusion Criteria	14
3.4.1	Inclusion Criteria	14
3.4.2	Exclusion Criteria	14
4	Annex	15
4.1	Directory of Frameworks and Funds Reviewed	15
4.1.1	Gain (N3F: Nutritious Foods Financing Facility)	15
4.1.2	USAID	16
4.1.3	Wellspring	17
4.1.4	Clarmondial	18
4.1.5	The Good Food Innovation Fund (GFIF)	19
4.1.6	Aceli Africa	20
4.1.7	Table Overview of Frameworks and Funds Reviewed	22

1 INTRODUCTION

There is a global nutrition crisis. Poor diets provide inadequate nutrition and drive high levels of death and preventable non-communicable diseases, while also putting individuals at greater risk of contracting and dying from communicable diseases. The high individual, social and economic costs of poor diets and nutrition impact render it a pressing issue that is integral to achieving the Sustainable Development Goals. It also represents a major opportunity for impact investments that are innovative and scalable.

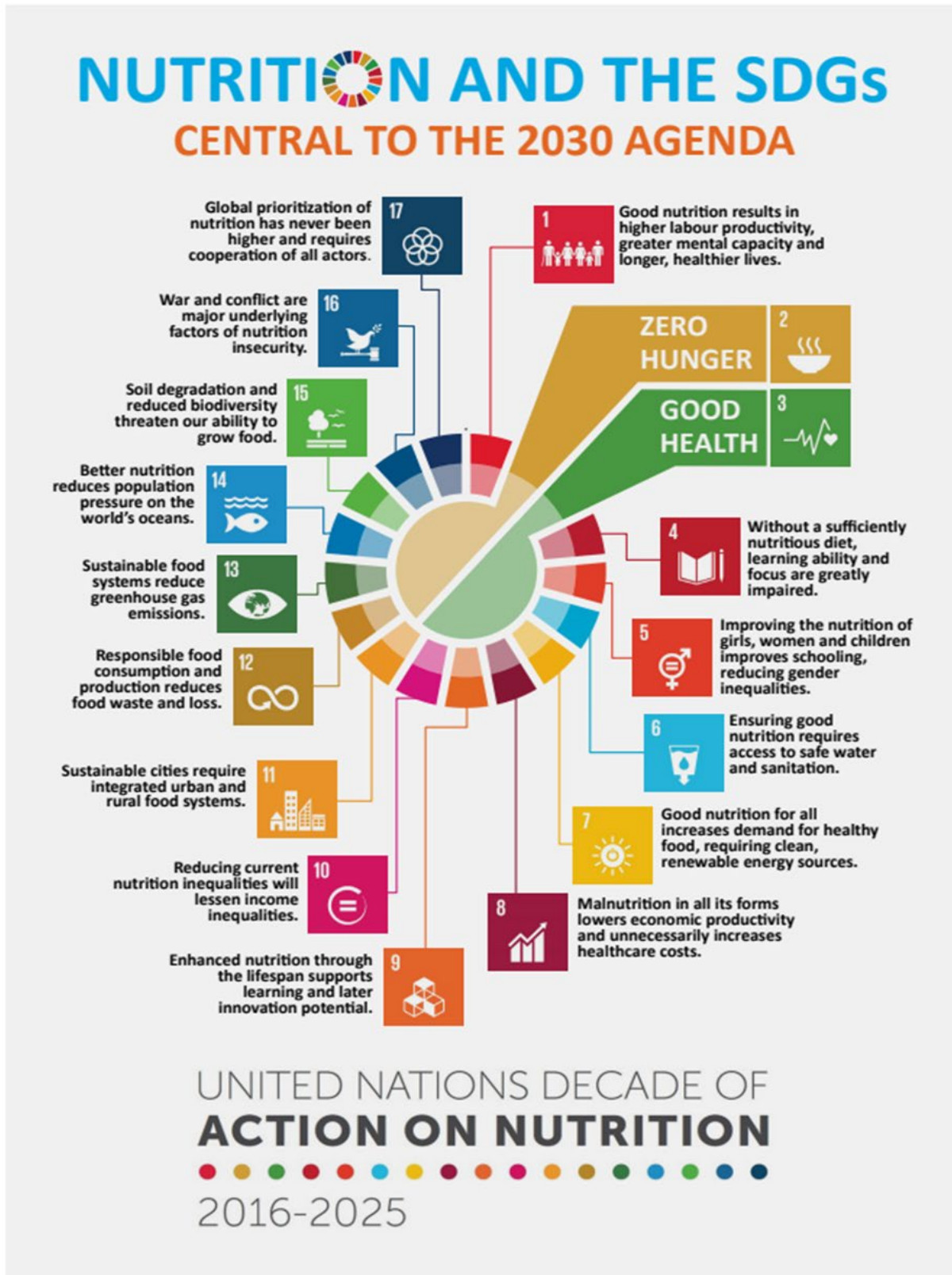
Understanding these growing trends and impacts, we recognize the need to embed nutrition within our impact investment strategies. While agriculture supply chains in Low-and-Middle Income Countries (LMICs) include both large and smallholder producers, traders, processors, and retailers, the Nutrition Impact Investing Principles (NIIP) are designed primarily for impact investors' engagement with small-medium enterprises (SMEs), in the agri-supply chain. However, the Principles are inclusive and can be applied to investments for larger companies as well.

This document sets out guiding principles and standards for nutrition-sensitive investments. Through the application of these Principles, an investment approach is informed by metrics that reflect both the urgency of improving global nutrition and the opportunities for impactful, scalable change within agri-business investments. The Principles included here are adapted from established standards in impact investing, ensuring relevance and alignment with global best practices.

The themes outlined in this document are chosen for their ability to capture the multifaceted impact of investments across nutritional quality, food safety, community health, and food affordability and accessibility. By tracking the impact of investments with appropriate metrics from established relevant frameworks, impact investors can assess and enhance the value generated not only for the business but also for the broader health and nutrition ecosystem. This intersection between both health and economic indicators positions investments to contribute meaningfully to the World Health Organization's nutrition targets and the Sustainable Development Goals.

Each Principle is intended to be applied flexibly, supporting a wide range of businesses, from SMEs to larger agri-businesses. These indicators allow us to measure both immediate outcomes and long-term impacts, ensuring that our investments deliver sustainable value and address the root causes of nutrition challenges in low- and middle-income countries. Through the use of these Principles, we aim to foster a deeper understanding of our investments' contributions to public health and empower a new wave of nutrition-sensitive investments.

Figure 1: Nutrition is central to realizing the Sustainable Development Goals



Source: World Health Organization, Department for Nutrition and Health Development, 2018

2 CONTEXT/PROBLEM STATEMENT

Improving global nutrition is essential to achieving the Sustainable Development Goals (SDGs), as illustrated in Figure 1, and to fundamentally transform the food system. A sustainable food system is one that delivers healthy diets for all, sourced from land that is sustainably managed, while protecting the environment and supporting producers' livelihoods. Furthermore, a resilient food system is equipped to withstand economic and environmental shocks. However, the current global food system is failing in its mission to provide healthy diets and is exacerbating climate change, biodiversity loss, and water scarcity, among other pressing environmental and social challenges.

Unlocking nutrition-sensitive finance can drive better inputs, production, aggregation, trading, processing, and marketing for agri-food businesses. This will in turn make healthier foods – including locally produced complementary foods – more accessible for all, particularly in low- and middle-income countries (LMIC) where the need is greatest.

National agri-food businesses – large, medium and small – report access to capital to be one of the toughest challenges they face. Without sufficient access to financial services, agri-food businesses in Africa are unable to expand operations and market reach, enhance the nutritional value of their products, improve on their food safety standards or start working more sustainably. Enabling better access to finance will bring more nutritious and affordable options to market, or to scale existing ones.

In LMICs, Small and Medium Enterprises (SMEs) are responsible for most of the food production, processing, transportation, and sales. Impact investments can uniquely support and empower these enterprises and the communities in which they operate. Impact investments can also seek out larger companies for investments that can be scaled. Through targeted financing, investors can drive improvements across the entire value chain—from input provision to production, aggregation, trading, processing, and marketing of healthier foods in LMICs. Many local enterprises that provide food to at-risk households and have the potential to improve

nutrition face challenging market conditions. These challenges include underdeveloped financial systems, inadequate infrastructure, and low consumer awareness, all of which create tension between financial profitability and maximizing social impact. Often, these SMEs require both working capital and long-term investments in productive assets—such as equipment for processing or fortifying foods—to scale their operations, increase production, and improve efficiency.

The overarching aim of the Nutrition Impact Investing Principles is to unlock impact investments that will empower SMEs (firstly) as well as larger national companies in LMIC to produce healthier foods and improve nutrition. By generating access to tailored financing, this initiative seeks to stimulate the production of more affordable, safe, and nutritious foods, increasing their availability to at-risk populations and supporting sustainable change in the nutrition landscape.

2.1 THE SCALE AND NATURE OF THE GLOBAL NUTRITION CHALLENGE

Malnutrition, as highlighted by the World Bank, is among the world's most serious yet under-addressed challenges. This 'triple burden of malnutrition'—encompassing overweight and obesity, undernutrition, and micronutrient deficiencies—affects all countries to varying degrees, with some experiencing all three simultaneously. Poor diets now contribute to a greater global disease burden than physical inactivity, alcohol, and smoking combined, underscoring the urgent need for impactful, nutrition-sensitive investments.

Obesity, overweight and related diseases: Worldwide, obesity has nearly tripled since 1975 and levels continue to grow in all regions among adults and children. In 2022, dietary factors were responsible for 11 million deaths worldwide and contributed to many illnesses such as type 2 diabetes, cardiovascular disease, hypertension, and many cancers. Nearly 2,5 billion adults – 43% of the world’s adult population – were overweight in 2022, of whom 890 million were living with obesity. Childhood obesity is of particular concern as it is a ‘ticking time bomb’; children and adolescents living with obesity are five times more likely to become adults living with obesity. In 2022, 390 million of the world’s children and adolescents aged between 5 and 19 were overweight or living with obesity; a further 37 million of the world’s children under 5 were overweight in 2022.

Undernutrition, hidden hunger, and related diseases: An estimated 733 million people were undernourished in 2023, up by 152 million since 2019. More than 2 billion people suffer from micronutrient deficiencies (so-called hidden hunger) which cause a range of debilitating diseases and can be fatal. In 2022, nearly 22% of children under five (149 million) were stunted and 45 million children in that age group were affected by wasting. It is projected that 582 million people will be chronically undernourished at the end of the decade. This is about 130 million more undernourished people than in a scenario reflecting the world economy before the COVID-19 pandemic.

Infant and young child nutrition: Poor infant and young child nutrition, including low levels of breastfeeding, contribute to poor health in childhood and later life. Globally, in 2022, only 44% of infants under six months of age were exclusively breastfed. Increasing breastfeeding to near-universal levels could prevent the deaths of over 820,000 children under five each year and provide lifetime protection from a range of illnesses.

Sources: [Obesity and overweight](#), WHO 2023, [Fact sheets - Malnutrition](#), WHO, 2024, [Infant and young child feeding](#), WHO 2023, [The State of Food Security and Nutrition in the World 2024](#)

2.2 THE SOCIO-ECONOMIC IMPLICATIONS: LMICS AND BEYOND

High levels of diet-related disease not only harm individual and family health but also have far-reaching socio-economic consequences. Poor nutrition reduces productivity across sectors, constrains economic growth, and places heavy demands on healthcare budgets, especially in lower-income countries. The expected economic costs of undernutrition, in terms of lost national productivity and economic growth, range from 2% to 3% of GDP in some countries, up to 11% of GDP in Africa and Asia each year.¹ Adequate nutrition is the missing link for sustainable growth and is integral to achieving the Sustainable Development Goals.²

¹ The World Bank, ‘The World Bank and nutrition’(2019) <https://www.worldbank.org/en/topic/nutrition/overview>

2.3 THE INTERNATIONAL POLICY RESPONSE

In response to the global nutrition crisis, the United Nations declared 2016–2025 the Decade of Action on Nutrition, marking a period of intensified focus on global health outcomes related to diet. The World Health Organization (WHO) set ambitious global targets to reduce preventable deaths and illnesses caused by poor diets by 2025. These include both non-communicable disease (NCD) targets—aimed at reducing salt intake, lowering blood pressure, and curbing diabetes and obesity—and six maternal, infant, and young child nutrition (MIYCN) goals. The latter target reductions in low birth weight, stunting, wasting, overweight in children, anaemia in women of childbearing age, and aim to increase exclusive

² Chatham House, ‘The Business case for investment in nutrition’(2020) [chathamhouse.org/2020/07/business-case-investment-nutrition](https://www.chathamhouse.org/2020/07/business-case-investment-nutrition)

breastfeeding rates. However, the 2018 Global Nutrition Report found that no country is on track to meet all nine nutrition targets. To support these efforts, the UN adopted the 17 Sustainable Development Goals (SDGs). While two of the goals relate specifically to diet and health – SDG 2 (Zero Hunger) and SDG3 (Good Health and Wellbeing) – improving diets and nutrition will also support the realization of the other SDGs, as shown in Figure 1. The WHO, Codex Alimentarius, the Food and Agriculture Organization (FAO), UNICEF and other international organizations have developed frameworks, plans, conventions, recommendations and standards to support the realization of these targets and goals. Concerted and coordinated action is therefore needed by all stakeholders across the food, health, and investment sectors – including industry and the finance community – to meet the nutrition targets and deliver the SDGs by 2030.

2.4 THE ROLE OF IMPACT INVESTMENTS

Impact investments play a unique and critical role in addressing nutrition challenges, especially in LMICs where traditional financing options remain limited. By providing intentionality and impact-focused design – as well as often more patient and (higher) risk-tolerant capital -- to agri-businesses and smallholder farms, the finance community can offer impact investments to businesses to improve local nutrition outcomes. While this applies primarily to SMEs, the role of impact investments extends to larger companies as well, with the potential for scalability in all LMIC contexts. Unlike traditional finance, impact investments recognize the value local businesses bring despite risks such as geographic dispersion, environmental vulnerabilities, and price volatility. They can provide long-term, patient capital to support enterprises producing nutritious foods, thereby improving access to and affordability of these products for underserved populations.

As mixed-motive investors, impact investors go beyond funding by offering technical expertise, building capacity within enterprises, and fostering innovation across supply chains. For example, by investing in the livestock sector in LMICs, they can support enhancements in animal feed quality, increasing dairy and meat production, and potentially reducing consumer prices.³ Additionally, impact investors often collaborate with governments, NGOs, and researchers to address broader, systemic barriers to nutritious food access. These partnerships can catalyse public awareness campaigns, tackle regulatory hurdles, and shape policies to facilitate widespread access to affordable, nutritious foods, ultimately driving long-term change across regions.

³ Steffen Entenmann, Fund International Agricultural Research, GIZ (March, 2021) p10

3 NUTRITION IMPACT INVESTING PRINCIPLES

3.1 THE NEED FOR AN OVERARCHING DEFINITION OF INVESTING IN NUTRITIOUS FOODS

The *State of Food Security and Nutrition in the World (SOFI)* report, published in 2024, points out that there exists a wide range of definitions of financing for food security and nutrition. The differences between them often lead to inconsistent application and estimates, hindering the identification of underfinanced areas, the mobilization of capital, accountability and tracking intervention impacts. Therefore, SOFI offered a new overarching universal definition for financing for nutrition and food security to help meet SDG targets 2.1 (end hunger and food insecurity) and 2.2 (eliminate all forms of malnutrition).

Financing for food security and nutrition refers to the public and private financial resources, including both domestic and foreign, that aim to eradicate hunger, food insecurity and all forms of malnutrition across the rural-urban continuum. The resources target the availability, access, utilization, and stability of a nutritious and safe food supply that meets the individual dietary requirements for a healthy life and ensure suitable caring and feeding practices and access to health, water, and sanitation services to ensure a continued adequate nutritional status. It also includes the financial resources that aim to strengthen the resilience of agrifood systems and address the major drivers behind recent increase in hunger, food insecurity, and malnutrition, specifically increasing conflict, climate variability and extremes, economic slowdowns and downturns, high and persistent inequality, the unaffordability of healthy diets, and unhealthy food environments.

Source: *The State of Food Security and Nutrition in the World (SOFI)* report, 2024

Therefore, impact investing in nutritious foods refers to the **intentional directing of capital towards enterprises so they can prioritize the production, processing, and distribution of food products that are safe, affordable, and rich in essential nutrients.** This type of investment aims to improve public health outcomes by supporting companies to provide foods and services towards balanced, high-quality diets - particularly in underserved communities. Investments should be guided by the goal of enhancing dietary quality, increasing accessibility to nutrient-dense foods, and supporting local and regional food systems to foster both economic and environmental resilience.

3.2 NUTRITION IMPACT INVESTING PRINCIPLES

The Nutrition Impact Investing Principles (NIIP) outline a broad, generalized approach to scaling nutrition-sensitive impact investments. These Principles will offer overarching alignment across various standards that help the impact investing community finance businesses to produce, market and deliver healthier foods. Designed to support agri-SMEs (firstly) as well as larger companies to promote healthy and nutritious food systems in LMICs, the NIIP will initially be piloted in East Africa, where these investments are crucial for both economic and public health outcomes.

Developed by ATNi (Access to Nutrition initiative) with inputs from multiple partners, the NIIP highlights the essential role that agri-SMEs and larger national companies can play in addressing regional nutrition challenges and bridging financing gaps within the agrifood sector in LMICs. By guiding impact investments toward these enterprises, the NIIP seeks to strengthen and empower SMEs that can sustainably enhance community nutrition and contribute to resilient food systems. (cont.)

Existing funds, like the Nutritious Foods Financing Facility (N3F), the Good Food Innovation Fund (GFIF) and others, provide critical and targeted frameworks for impact investing. The NIIP aims to build on these and go further by providing general guidance to the impact investing field at large. By offering clear objectives and standards, the NIIP aims to enable the sector to achieve nutrition and public health outcomes more effectively at scale, thereby reinforcing and amplifying the impact of these complementary initiatives.

The NIIP outlines specific goals for sustainable, nutrition-sensitive investments aligned with international health and nutrition standards, including the UN Sustainable Development Goals (SDGs). The NIIP is also aligned with the standards of existing approaches and nutrition-lens investing standards to prevent confusion, inefficiency and duplication. While the NIIP is globally applicable, they will be piloted in East Africa. Through this phased approach, the NIIP aims to create long-term, transformative impact on regional food systems, ultimately fostering healthier populations and more sustainable food markets.

The Nutrition Impact Investing Principles (NIIP) represent a transformative, community-oriented approach to scaling nutrition-sensitive impact investments. They are rooted in extensive research and a thorough review of six key frameworks already shaping the field (see Annex). These principles provide an overarching set of guiding standards designed to unify and align the efforts of the impact investing community.

By synthesizing the emerging good practices and addressing existing gaps in impact investing for nutrition, the NIIP offers a roadmap for the finance community seeking to provide impact investments for businesses so they can produce, market, and distribute healthier, more accessible, and affordable

foods. The NIIP aims to catalyse collaborative action across sectors, fostering innovation and driving measurable progress in improving global nutrition outcomes while contributing to sustainable development.

3.2.1 Principles for Inclusion Criteria

Principle 1: Enhance Nutritional Impact

Invest in businesses that can use the capital to improve community nutritional status by addressing malnutrition issues, reducing diet-related diseases and increasing the availability of products that meet global and national health standards, such as those set by the WHO. Target consumers may include pregnant and lactating women, women of reproductive age, remote and at-risk populations, infants and young children over 6 months (post-exclusive breastfeeding), school-aged children, and adolescents at pre-childbearing age. Prioritizing these groups ensures that nutrition-sensitive investments address unique dietary needs across different life stages and geographical barriers.

Possible Actions:

- During the course of the investment, improve the share of products in the portfolio that align with internationally-recognised/government-endorsed nutritional standards, such as the WHO Regional Nutrient Profiling Models and local dietary guidelines.
- During the course of the investment, improve the marketing of foods so that the business markets these according to the WHO principles of responsible marketing.

Principle 2: Improve the Supply of Nutritious Foods

Promote investments that enhance the availability of nutritious food through sustainable production practices and reduced post-harvest losses.

Possible Actions:

- Measure the increase in nutritious food output and sales from supported businesses.
- Invest in solutions to improve storage and cold-chain logistics, minimizing food spoilage and waste.
- Support sustainable agricultural practices that boost yield and nutritional value while preserving environmental resources.

Principle 3: Ensure Equitable Access to Nutritious Foods

Enable equitable access to nutritious food by addressing affordability, infrastructure, and delivery challenges, especially for vulnerable populations.

Possible Actions:

- Leverage investments to improve food affordability and distribution networks within underserved regions.
- Support businesses to implement programs targeting vulnerable groups, including women, children, and remote communities.
- Invest in initiatives that can expand nutritious food retail outlets in low-income and rural areas.

Principle 4: Promote Consumer Awareness of Nutrition

Invest in initiatives that enhance consumer awareness of healthy eating through responsible marketing, clear labelling, workforce nutrition initiatives and education campaigns.

Possible Actions:

- Track the percentage of products with transparent, easy-to-understand nutrition labels.
- Support marketing campaigns that can improve consumer habits among underserved communities.
- Support businesses to implement consumer education initiatives that lead to the increased consumption of nutritious foods.

Principle 5: Enhance Nutritional Quality

Encourage businesses to produce foods of greater nutritional quality and energy density, and to reformulate products to reduce or eliminate harmful ingredients, contributing to the prevention of non-communicable diseases (NCDs).

Possible Actions:

- Support the reformulation of products to lower sugar, salt, saturated fat and trans-fat content.
- Support businesses to add essential vitamins and minerals to their product portfolios.
- Invest in businesses that can prioritize healthier product portfolios and provide alternatives to ultra-processed foods.
- Advocate for and support regulatory compliance with national dietary guidelines and standards addressing harmful additives.

These principles provide a comprehensive introduction and guidance for integrating nutrition considerations into impact investment strategies, ensuring measurable, scalable, and sustainable outcomes in the fight against malnutrition.

3.2.2 Principles for Exclusion Criteria

The Principles for Exclusion Criteria define boundaries to prevent impact investments from supporting activities that compromise public health or contradict the core goals of promoting sustainable and equitable nutrition.

Principle 1: Products with Proven Negative Health Effects

Investments in businesses that produce or promote foods or beverages with well-documented adverse health effects are excluded.

Possible Actions:

- Avoid financing companies whose core businesses and products include sugar-sweetened and alcoholic beverages, highly processed foods including complementary foods and meat products, breast-milk substitutes, or products with excessive trans fats and added sugars.
- Disqualify investments in companies linked to significant public health challenges, such as tobacco or alcohol industries.
- Monitor for compliance with global guidelines on harmful ingredient thresholds.

Principle 2: Activities that Undermine Global Nutrition Goals

Investments in activities or practices that are contradictory to international nutrition standards and goals are excluded.

Possible Actions:

- Exclude investments in companies engaged in misleading marketing of unhealthy foods to vulnerable groups, particularly children.
- Avoid projects that reduce access to affordable nutritious foods, such as monopolizing essential food supply chains.
- Ensure alignment with WHO and FAO guidelines on food system sustainability and equitable nutrition distribution.

Principle 3: Exploitation in Food Supply Chains

Investments in entities that exploit labour, disregard ethical practices, or harm communities in their supply chains are excluded.

Possible Actions:

- Refuse funding to organizations with poor labour practices, unsafe working conditions, or proven human rights violations.
- Promote transparency and traceability in supply chains to verify compliance with ethical and labour standards.
- Regular audits of investments to ensure fair wages and working conditions.

Principle 4: Unsustainable Environmental Practices

Investments in businesses or practices that contribute to significant environmental degradation, such as deforestation or excessive greenhouse gas emissions, are excluded.

Possible Actions:

- Avoid investments that rely heavily on unsustainable agricultural practices, such as overuse of chemical fertilizers or pesticides.
- Exclude investments that degrade natural ecosystems or undermine biodiversity, such as large-scale monocropping.
- Prioritise funding for climate-resilient and eco-friendly nutrition solutions.

Principle 5: Insufficient Transparency or Accountability

Investments in businesses that lack transparent governance, financial accountability, or measurable impact reporting are excluded.

Possible Actions:

- Require potential investments to meet international reporting standards such as IRIS+ or GRI.
- Exclude companies with a history of corruption, fraud, or mismanagement of funds.
- Establish robust due diligence mechanisms to assess governance and accountability.

3.3 DIRECTORY OF FUNDS WORKING ACROSS EACH PRINCIPLE FOR INCLUDED INVESTMENTS

3.3.1 Enhance Nutritional Impact

Definition: Monitors community nutritional status by tracking reductions in malnutrition and diet-related diseases, including stunting, anemia, and obesity, along with increases in products meeting internationally recognized nutrition standards.

- **GAIN (N3F):** Positive health outcomes, including diet quality improvement.
- **Wellspring:** Reductions in stunting and nutrient deficiencies like zinc, vitamin A, and iron.
- **Clarmondial:** Reductions in stunting, anemia, and obesity.
- **USAID:** Fortified foods and supplements contribute to better immune function and general health outcomes.
- **ACELI:** Promoting nutrient-rich foods to improve health and diets.

3.3.2 Improve the Supply of Nutritious Foods

Definition: Measures increase in nutritious food availability by improving sustainable food production and reducing post-harvest losses through enhancing storage and cold chain logistics.

- **GAIN (N3F):** Increasing access to nutritious foods for low- and middle-income populations.
- **Wellspring:** Enhancing access to nutritious food.
- **Clarmondial:** Improved access to safe, nutritious food for vulnerable populations.
- **GFIF:** Targeting populations for access to nutritious food.
- **USAID:** Expansion of sustainable food production and investments in storage and cold chain to reduce losses and enhance nutritious food availability.
- **ACELI:** Increasing production and access to affordable, nutritious foods.

3.3.3 Ensure Equitable Access to Food

Definition: Tracks access to nutritious food for vulnerable groups like women and children via store expansions, affordable pricing, improved delivery, better infrastructure, and targeted programs.

- **GAIN (N3F):** Improving affordability of nutritious foods.
- **GFIF:** Making nutritious food accessible for low-income populations.
- **USAID:** Introduction of smaller, cost-effective packaging sizes targeted at low-income consumers (e.g., bottom-of-the-pyramid markets).
- **ACELI:** Making nutritious foods affordable for low-income consumers.

3.3.4 Promote Consumer Awareness of Nutrition

Definition: Tracks of products with clear, easy-to-understand nutritional labels and education campaigns. Focuses on improving healthy eating awareness among underserved populations.

- **Wellspring:** Promoting healthy diets through education.
- **USAID:** Investments that enhance food labeling with accurate nutritional information to educate consumers and promote informed choice.
- **ACELI:** Supporting informed choices with better food options.

3.3.5 Enhance Nutritional Quality

Definition: Focuses on ensuring food products are free from harmful ingredients and meet robust nutrition standards to improve public health.

- **GAIN (N3F):** Improving nutrient density and food safety.
- **USAID:** Enhancements in food processing and packaging, ensuring foods are free from harmful additives and meet safety standards.

- **ACELI:** Improving food processing for quality and safety.

3.4 INCLUSION AND EXCLUSION CRITERIA

The NIIP's inclusion and exclusion criteria are designed to ensure that capital is directed toward businesses that genuinely advance nutrition-sensitive goals and demonstrate ethical, sustainable practices.

3.4.1 Inclusion Criteria

- SMEs operating in agri-food supply chains, particularly those focused on producing or distributing nutrient-rich food products, such as fruits, vegetables, pulses, fortified foods, protein sources; or which have more complex portfolios that meet internationally recognized nutrition standards.
- Companies that uphold responsible and sustainable sourcing practices and demonstrate a commitment to transparency in food safety and quality standards.
- Businesses that prioritize the affordability and accessibility of nutritious foods, aiming to reach low-income or at-risk populations.

3.4.2 Exclusion Criteria

- Companies predominantly involved in the production or distribution of highly processed foods of low nutritional quality, including sugary snacks and beverages and foods high in fats, salt and sugar, as these are linked to adverse health impacts.
- Enterprises engaged in unsustainable agricultural practices that compromise environmental integrity or worker welfare.
- Businesses that lack clear governance or accountability frameworks for nutrition, food safety, or sustainability.

4.1 DIRECTORY OF FRAMEWORKS AND FUNDS REVIEWED

4.1.1 Gain (N3F: Nutritious Foods Financing Facility)

The Nutritious Food Financing Facility (N3F) is an impact-investment fund launched by the Global Alliance for Improved Nutrition (GAIN). Started as part of efforts to address food system challenges in low- and middle-income countries (LMICs), its goal is to enhance access to nutritious food. N3F supports small- and medium-sized enterprises (SMEs) involved in food supply chains, focusing on improving affordability, availability, and safety. The initiative seeks to reduce malnutrition and improve food environments by investing in sustainable businesses that align with global nutrition and health goals.

Key Impact Indicators

1. Increased Availability and Affordability of Nutritious Foods

Expanding production and efficiency to make nutritious foods more accessible and affordable for low- and middle-income populations

2. Reduced Food Loss and Environmental Impact

Reducing food loss and improving environmental sustainability through enhanced production practices and waste management in supply chains.

3. Enhanced Nutrient Supply and Food Safety

Improving the nutrient density of available foods and reducing harmful elements in food production to enhance consumer health.

4. Job Creation and Income Improvement

Creating jobs directly and indirectly in food supply chains, with a focus on boosting incomes, especially for the base of the pyramid populations.

5. Gender and Social Inclusivity

Promoting women's participation in food production and supply chains, focusing on gender inclusivity and empowering women within SMEs.

6. Positive Health and Nutritional Outcomes

Aiming to improve diet quality and reduce nutrition related health issues such as undernutrition and micronutrient deficiencies through the availability of nutritious foods.

Inclusion Criteria: The Nutritious Food Financing Facility (N3F) targets high-potential SMEs producing or capable of offering nutritious foods. Eligible SMEs must have skilled management, market responsiveness, and readiness to adopt improved practices. Foods eligible for support include those with high inherent nutritional value, fortified products, nutrient-rich supplements, and foods with minimized harmful elements. SMEs should align with N3F goals, such as improving dietary diversity, food safety, and reducing waste. Firms must demonstrate the capacity to scale and deliver impact. Only businesses aligned with these priorities and offering viable products that meet nutritional standards will be considered.

Exclusion Criteria: N3F excludes SMEs producing foods harmful to public health, such as breast-milk substitutes, alcohol, tobacco, hydrogenated oils, and highly sweetened beverages. Firms offering these products are disqualified, even if they also produce eligible items. Foods with limited nutritional value, like plain pasta or minimally processed red meat, are not eligible for direct support. SMEs lacking governance, accountability, or scalability are also excluded. Businesses unable to align with N3F's goals or improve profitability and impact are not considered. Only firms demonstrating the ability to meet these criteria can participate in the program.

4.1.2 USAID

USAID's mission in nutrition focuses on improving health and reducing hunger by ensuring access to nutritious, safe, and affordable food. Its objectives include increasing the availability and affordability of nutrient-rich foods, enhancing food systems to address malnutrition, and supporting vulnerable populations like women and children. USAID works with private sector partners and uses tools like the Nutrition-Lens Investing Framework to drive investments that improve diets and combat diet-related diseases globally.

Key Impact Indicators

1. Improved Nutrition for All

Decreased percentage of children underweight and lowered percentage of the population with obesity.

2. Adequate Nutrient Intake

Ensuring adequate intake of essential micronutrients and macronutrients through sustainable, safe, and equitable diets. Reduction in diet-related morbidity and mortality.

3. Increased Production Capacity

Higher production volumes of nutritious foods; materially reduced costs of nutritious foods through innovative methods.

4. Improved Processing and Packaging

Improved nutrient profiles of processed foods (e.g., fortified foods, reduced trans fats, sugar, and sodium). Enhanced packaging and labelling practices to improve consumer choices and desirability.

5. Efficient Distribution and Storage

Reduced food losses through improved cold chains and storage facilities, improved delivery speed and freshness of produce to underserved markets.

6. Improved Accessibility and Retail

Expansion of modern and accessible retail options for nutritious foods in low-income and underserved areas.

7. Gender and Inclusivity

Focus on prioritizing women, girls, youth, and vulnerable groups within the food system to promote equity and health outcomes.

8. Climate Adaptation

Integration of climate-smart practices in food production, processing, and trade, working toward carbon neutrality.

Inclusion Criteria: Investments that enhance nutrition through the production, processing, and distribution of nutritious foods are prioritized. Eligible projects must demonstrate a focus on improving food availability, affordability, and accessibility, particularly for underserved populations. Priority is given to businesses adopting sustainable practices, such as climate-smart agriculture, efficient food systems, and regenerative production. Investments should align with public health goals, promote dietary diversity, and address malnutrition. Projects should serve local or regional markets, integrate gender and youth inclusivity, and demonstrate the capacity to scale. The emphasis is on measurable impact and alignment with nutrition-focused development objectives.

Exclusion Criteria: The exclusion criteria disqualify businesses involved in harmful or unethical practices. This includes forced or exploitative labor, child labor, and non-compliance with labor and wage standards. Projects that harm the environment, such as deforestation, pollution, or activities in protected areas, are excluded. Businesses producing alcohol, tobacco, sugary beverages, or unhealthy processed foods are ineligible. (cont...)

Investments that violate indigenous rights, disrupt ecosystems, or fail to align with regulatory standards are also excluded. Additionally, companies focusing on products with no nutritional or social value or failing to meet accountability and sustainability benchmarks are not considered for support.

4.1.3 Wellspring

Wellspring is an advisory and impact investment firm focusing on sustainable development, particularly in food systems. It supports the design of frameworks and screening criteria for nutrition-lens investing, helping donors, development finance institutions (DFIs), and impact funds evaluate nutrition-focused investments. Collaborating with partners like FCDO and USAID, Wellspring aims to improve diets, reduce trade-offs between nutrition and economic or climate goals, and enhance food security in low- and middle-income countries. Its mission aligns with enabling healthier diets for underserved populations.

Key Impact Indicators

1. Improved Nutritional Outcomes

Measurement of improvements such as reductions in stunting, underweight children, and deficiencies in essential nutrients like zinc, vitamin A, and iron.

2. Increased Availability and Affordability of Nutritious Foods

Boosting the quantity, quality, and affordability of nutritious foods through climate resilient and sustainable systems.

3. Enhanced Food System Resilience

Improving food supply chains through better cold storage, distribution, and storage facilities to reduce losses and maintain food safety.

4. Consumer Awareness and Behavior Change
Encouraging healthy diets through education, better labeling, and advertising, while improving the accessibility and appeal of nutritious foods.

5. Sustainable Agricultural Practices

Encouraging climate smart agricultural practices that increase yields and support diverse, nutritious food production with lower environmental impact.

6. Nutrition Transformative and Nutrition Supportive Investments

Distinguishing investments that directly enhance nutrition from those that indirectly support it through food security and resilience.

7. Access to Finance for Nutrition Focused Investments

Enabling financial access through intermediaries for small and medium-sized nutrition focused enterprises, especially in low-income regions.

8. Improved Processing and Fortification

Increasing production and fortification of nutritious processed foods, including safety standards in packaging, reduced sodium and sugar levels, and expanded fortification.

Inclusion Criteria: The inclusion criteria prioritize foods with high nutritional value, such as fruits, vegetables, legumes, nuts, fortified grains, and nutrient-rich supplements. Eligible SMEs must align with nutrition goals, demonstrate capacity for impact, and meet safety and quality standards. Investments should support businesses producing, processing, or distributing nutritious foods or implementing practices that enhance food availability and affordability. Companies must show readiness to adopt innovative practices, promote sustainable food systems, and improve dietary diversity. (cont...)

The focus is on businesses capable of scaling operations while delivering measurable nutritional benefits to underserved populations and contributing to long-term health outcomes.

Exclusion Criteria: The exclusion criteria disqualify foods that are harmful or lack nutrition, such as breast-milk substitutes with violations, alcohol, hydrogenated oils, and sugary drinks with no value. SMEs focused on these products are ineligible unless the investment targets nutritional improvements. Highly processed foods with excessive salt, sugar, or fats are also excluded. Investments misaligned with nutrition goals or failing to meet safety and labeling standards are not considered. Companies unable to comply with regulatory requirements or address nutritional risks are excluded. The focus remains on supporting products and businesses that advance meaningful nutritional and health outcomes.

4.1.4 Clarmondial

Established in 2010, Clarmondial, is a Swiss-based, independent advisory firm specializing in sustainable investments, particularly in agriculture. It is employee-owned and focuses on innovative financing models to integrate environmental and social impact data into investments. Clarmondial collaborates with governments, NGOs, investors, and companies to mobilize resources for sustainable resource management. Its objectives include driving private-sector finance towards impactful and sustainable solutions, addressing global challenges like food security, and supporting environmentally and socially responsible practices in emerging markets.

Key Impact Indicators

1. Nutrition Outcomes

Achievement in addressing undernutrition, overnutrition, and micronutrient deficiencies, including reductions in stunting, anemia, and obesity.

2. Food Security

Improved access to affordable, safe, and nutritious food, measured by availability and access indicators across vulnerable populations.

3. Health Improvements

Enhanced health status of women and children, including reduced prevalence of malnutrition related diseases.

4. Sustainable Financing Models

Effective utilization of blended finance, debt restructuring, and public private partnerships tailored for nutrition financing.

5. Capacity Building

Implementation of training and technical assistance programs for local stakeholders, supporting nutrition sensitive agriculture, healthcare, and food systems.

6. Environmental Impact

Measurement of environmental benefits linked to sustainable food production, processing, and waste reduction within nutrition finance projects.

7. Socio-Economic Impact

Promotion of economic growth by improving nutrition in workforce populations and reducing healthcare costs associated with malnutrition.

8. Policy and Regulatory Support

Assessment of government policies and tax incentives fostering private sector investments in nutrition sensitive initiatives.

Inclusion Criteria: Inclusion criteria focus on supporting businesses and initiatives that promote nutrition and public health. Eligible projects must produce, process, or distribute nutritious foods while demonstrating alignment with goals like improving dietary diversity, reducing malnutrition, and enhancing food safety. Priority is given to businesses with the capacity to scale, adopt sustainable practices, and achieve measurable impact. Projects should contribute to community well-being and long-term resilience, addressing public health and environmental challenges. Entities must show readiness to innovate and implement effective solutions that align with broader nutrition and development objectives.

Exclusion Criteria: Clarmondial's exclusion criteria eliminate businesses and projects that do not align with nutrition or public health goals. This includes those producing harmful or low-nutrition products such as alcohol, sugary drinks, and highly processed foods with excessive salt, sugar, or fats. Projects that fail to meet food safety standards or lack accountability and scalability are also excluded. Businesses focused on products unrelated to nutrition or without potential for measurable impact are not eligible. Any entity unable to demonstrate alignment with sustainable nutrition practices or long-term public health objectives is excluded from consideration.

4.1.5 The Good Food Innovation Fund (GFIF)

The Good Food Innovation Fund (GFIF) was launched in 2021 with a \$5 million grant from The Rockefeller Foundation. It supports small and medium enterprises (SMEs) in Sub-Saharan Africa. The goal is to increase the availability and affordability of nutritious, regenerative, and equitably

produced food. Managed by Intellecap Advisory Services, GFIF provides financial and technical assistance to businesses. GFIF addresses food supply chain inefficiencies to enhance access to 'Good Food' in low-income communities.

Key Impact Indicators

- 1. Increased Access to Good Food**
Quantified by the number of targeted population groups accessing nutritious food, with a target to reach 5 million people by 2026.
- 2. Affordability**
Aimed at reducing the price of nutritious food by 10% by 2026 to enhance accessibility among low-income populations.
- 3. Environmental Impact**
Focuses on reducing greenhouse gas emissions, water usage, and boosting climate resilience of smallholder farmers.
- 4. Job Creation**
Involves direct and indirect employment opportunities through SMEs operating within the good food supply chain.
- 5. Income Benefits**
Targeted to increase income for both women and men, especially among bottom of the pyramid customers in rural and urban areas.
- 6. Gender and Social Inclusivity**
Encourages women's participation in ownership, management, and supply chains, as well as empowerment practices such as women centred designs and timesaving innovations.
- 7. Sustainable Development**
Requires funded companies to demonstrate promotion of sustainable development outcomes across communities and markets, with a focus on measurable, positive social impact.

Inclusion Criteria: Eligible projects must focus on improving dietary diversity, food safety, and access to affordable, high-quality nutrition. Companies should demonstrate the capacity to scale, adopt innovative practices, and create measurable social and environmental impacts. Projects must serve underserved populations and contribute to broader goals like reducing malnutrition and promoting sustainable food systems. Priority is given to businesses integrating gender inclusivity, renewable energy, and community empowerment into their operations, ensuring long-term benefits for both people and the environment.

Exclusion Criteria: Projects or businesses are excluded if they produce or prioritize products that harm public health, such as alcohol, sugary beverages, hydrogenated oils, and highly processed foods high in salt, sugar, or fats. Companies violating human rights, labor standards, or environmental regulations are also ineligible. Those failing to align with target nutrition goals, food safety standards, or sustainable practices are excluded. Businesses with insufficient capacity to scale, lack of accountability, or misalignment with community impact objectives will not be considered. Additionally, projects that predominantly serve high-income or export markets are not eligible for support.

supports sustainable practices, and expects to generate \$600M in lending and \$200M in incremental income for smallholder farmers and SME employees by 2024.

Key Impact Indicators

1. Nutrient-Dense Foods

At least 30% of the business's output should include nutrient-dense foods such as traditional fruits, vegetables, animal proteins, and fortified foods.

2. Fortified Foods

Production or marketing of fortified staples (e.g., fortified flours, oils, or nutritional supplements) designed for improving public health.

3. Bio-Fortified Crops

Use of crops bred for higher nutritional content, such as iron-rich beans or vitamin A cassava, vitamin A maize and iron pearl millet.

4. Minimized Harmful Elements

Foods with reduced harmful elements, such as low-sodium, minimally processed products, or those tailored for vulnerable groups.

5. Healthy Diet Promotion

Contribution to diverse and healthy diets through aggregation, processing, or marketing of nutritious food products.

4.1.6 Aceli Africa

Aceli Africa is a market-enabling facility designed to mobilize private capital for agricultural SMEs in East Africa. By providing financial incentives to lenders and technical assistance to SMEs, Aceli aims to accelerate inclusive agricultural growth, enhance smallholder farmer livelihoods, and create jobs. The program promotes Environmental, Social, and Governance (ESG) standards,

Inclusion Criteria: Focus is on businesses that promote sustainable agricultural practices and inclusive economic growth. Eligible projects must demonstrate alignment with environmental, social, and governance (ESG) standards, such as reducing climate impact, enhancing food security, and fostering gender and youth inclusion. Enterprises should serve underserved populations, provide nutritious food, and adopt regenerative or circular farming practices. Businesses must have a clear capacity to scale, comply with local and international regulations, and positively impact smallholder farmers

Exclusion Criteria: Businesses involved in harmful or illegal activities are disqualified. This includes forced or exploitative labor, child labor, and non-compliance with wage and labor standards. Activities that harm the environment, such as deforestation, pollution, or agricultural operations in protected areas, are also excluded. Businesses dealing in alcohol, tobacco, weapons, radioactive materials, or illegal pesticides are ineligible. Projects that violate indigenous rights, disrupt ecosystems, or engage in unsustainable practices like drift net fishing are excluded. Any company failing to meet national regulations, international standards, or ethical guidelines is not considered for participation.

4.1.7 Table Overview of Frameworks and Funds Reviewed

Organisations	GAIN (N3F)	Wellspring	Clarmondial	GFIF	USAID
Themes					
Nutrition Outcomes	Positive health outcomes, including diet quality improvement.	Reductions in stunting and nutrient deficiencies like zinc, vitamin A, and iron.	Reductions in stunting, anaemia, and obesity.	Improves dietary diversity, micronutrient access, and affordability of nutritious foods.	Fortified foods and supplements contribute to better immune function and general health outcomes.
Food Security / Availability of Nutritious Foods	Increasing access to nutritious foods for low- and middle-income populations.	Enhancing access to nutritious food.	Improved access to safe, nutritious food for vulnerable populations.	Targeting populations for access to nutritious food.	Expansion of sustainable food production and investments in storage and cold chain to reduce losses and enhance nutritious food availability.
Health Improvements	Reducing nutrition-related health issues.	N/A	Enhanced health status, reducing malnutrition-related diseases.	N/A	Improved access to nutritious and safe foods reduces non-communicable diseases (NCDs) and other diet-related health issues.
Accessibility	Improving affordability of nutritious foods.	Improves nutritious food accessibility through retail innovation, trade infrastructure, efficient distribution, and affordability initiatives.	Affordable, available, inclusive access to nutritious food for underserved communities.	Making nutritious food accessible for low-income populations.	Introduction of smaller, cost-effective packaging sizes targeted at low-income consumers (e.g., bottom-of-the-pyramid markets).
Consumer Awareness and Behaviour Change	Focuses on educating consumers, influencing demand, and promoting healthier food choices through behaviour change strategies.	Promoting healthy diets through education.	N/A	Supports SMEs in understanding consumer needs, improving perceptions, and designing marketing strategies for nutritious food adoption.	Investments that enhance food labelling with accurate nutritional information to educate consumers and promote informed choice.
Enhanced Nutrient Supply and Food Safety	Improving nutrient density and food safety.	Promotes food safety through best practices, traceability, training, compliance, and access to safe foods.	N/A	Focus on quality, safety, certifications, and compliance in food.	Enhancements in food processing and packaging, ensuring foods are free from harmful additives and meet safety standards.

© 2024
Access to Nutrition Foundation
All rights reserved

ATNi (Access to Nutrition initiative)
Arthur van Schendelstraat 650
3511 MJ Utrecht
The Netherlands
+31 (0)6 429 51 655
info@atni.org
www.atni.org

