



LESSONS LEARNT FROM
THE CLEVERFOOD EXPERIENCE

Private funding to support food system transformation



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Why private funding matters

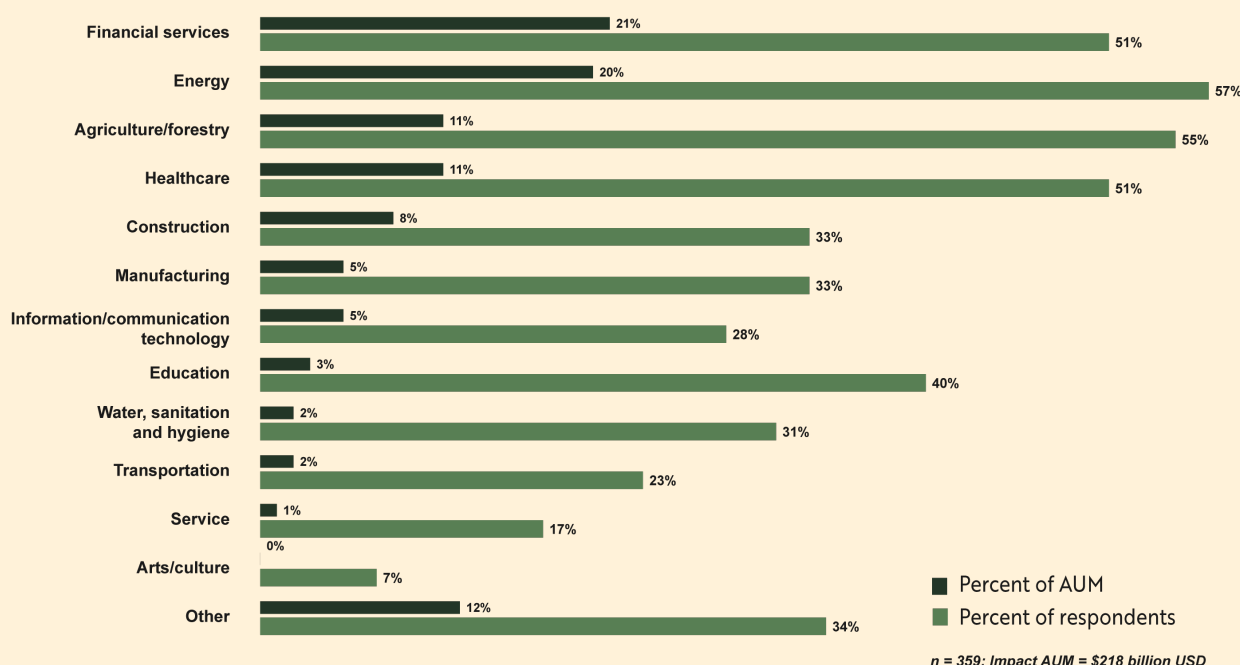
The limited level of finance allocated to radical food system transformation is recognised as a key reason for the slow pace of innovation. Despite growing awareness of the urgency to transform how food is produced, distributed and consumed, many high-impact solutions struggle to move beyond small-scale experiments due to insufficient and inappropriate funding.

Recent estimates suggest that transforming global food systems requires between USD 300 billion and over USD 1 trillion annually, depending on scope and methodology. However, current investment levels are estimated at only around USD 200–300 billion per year, leaving a substantial financing gap and reinforcing the critical role of private capital alongside public funding.

Private capital can support food system transformation through a range of instruments, such as venture capital, equity schemes, crowdfunding, grants and blended finance. In particular, impact investors and philanthropic foundations can act as early movers by financing innovations that deliver social and environmental benefits. In doing so, they can help demonstrate viability, support scaling and attract more return-oriented private capital.

Impact investing in agrifood: untapped potential beyond current investment shares

According to the Global Impact Investing Network¹, Inc. (GIIN) “[State of the Market 2025](#)” report, global impact assets under management have reached USD 218 billion across 359 surveyed investors.



Note: This figure excludes outlier organizations and investors who did not provide impact AUM data.
Source: Global Impact Investing Network (2025), GIIN.

FIGURE 1: Typical lock-ins and barriers in a transition towards sustainability

¹ The Global Impact Investing Network, Inc. (GIIN) is the leading industry body for impact investing with approximately 450 members across six continents,

where investors are increasingly allocating capital with the intention to generate measurable social and environmental benefits.

Despite attracting 55% of investors — making it one of the most widely targeted sectors — agriculture and forestry receives only 11% of total impact capital, revealing a significant gap between investor interest and actual capital deployed. By comparison, financial services and energy, which are targeted by 51% and 57% of investors respectively, receive 21% and 20% of total impact capital — a far more proportionate share

(**FIGURE 1**). This imbalance highlights the untapped potential of agri-food as a destination for impact capital.

This imbalance represents both a challenge and an opportunity. Growing interest in impact investing, combined with the urgency of food system transformation, creates strong potential for better aligning private capital with food system innovation.

Private finance actors enabling food system change

DEFINITIONS



Impact investors

Individuals or organisations that invest capital with the intention of generating positive social and/or environmental impact alongside a financial return. They support innovative solutions to societal challenges and operate across networks that connect capital to purpose-driven businesses.



Charitable foundations

Non-profit organisations, often funded by a single individual, family or corporation, that provide grants to support social, environmental or public-interest objectives. Their primary aim is impact rather than financial return.



Crowdfunding platforms

Online intermediaries that enable businesses or projects to raise funds directly from a large number of individuals. In the agri-food sector, they can provide alternative financing, validate business ideas, engage consumers and support early-stage innovation under EU-wide regulatory frameworks.

The CLEVERFOOD approach: three event types

Within the CLEVERFOOD project, private funding was supported and analysed through three event types. Together, these created spaces for learning, dialogue, matchmaking and system-level thinking.

IMPACT INVESTOR SCIENCE LABS

Impact investor science labs are interactive sessions organised within existing investor-focused events. CLEVERFOOD organised two impact investor labs that took place during ImpactFest and F&A Next.

Key characteristics:

- Short, high-engagement formats combining expert panels and live polling
- Use of real investment cases from the agrifood sector
- Structured discussion on financial returns, risks, and environmental and social impact
- Direct interaction between investors, entrepreneurs and researchers

MULTI-ACTOR WORKSHOPS

Multi-actor workshops create networks for sharing practices and experiences in accelerating innovation and scaling solutions for transforming food systems.

CLEVERFOOD organised multi-actor workshops within the FOOD 2030 Networks conference, bringing together innovators, entrepreneurs, investors, intermediaries, researchers, living lab representatives, policymakers and city authorities.

Key characteristics:

- Short, high-engagement formats combining expert panels and live polling
- Use of real investment cases from the agrifood sector
- Structured discussion on financial returns, risks, and environmental and social impact
- Direct interaction between investors, entrepreneurs and researchers

BROKERAGE EVENTS

These events are designed to directly connect investors with investment-ready food system innovations. The CLEVERFOOD project co-organised an Agrifood Investment Launchpad together with EIT Food.

Key characteristics:

- A crash course for new investors on agrifood investment fundamentals
- Startup pitches from selected, impact-driven agrifood companies
- Structured mentoring and matchmaking sessions
- Informal networking to build trust and connections

Key findings from the CLEVERFOOD experiences

Insights from the Impact Investors Science Labs, multi-actor workshops and brokerage events highlight a set of recurring factors that influence the mobilisation of private funding.

Impact, returns and scalability are closely intertwined

Investment decisions are primarily driven by return on investment, scalability and market size, alongside environmental sustainability. Social and nutritional impacts are recognised, but they currently play a secondary role unless they can be clearly linked to long-term financial viability.

Investment readiness is a major bottleneck

Many food system innovations are considered insufficiently investment-ready. Common gaps include weak or unclear business models, limited market validation and insufficient articulation of how impact and profitability evolve. Investors place strong emphasis on the credibility, experience and composition of the founding team.

Business models matter as much as technology

Investors look for innovations that can be integrated into existing markets and ecosystems. Many innovators focus primarily on technical performance while underestimating the importance of go-to-market strategies, scaling pathways and broader economic and social implications.

Awareness, data gaps and regulatory uncertainty remain barriers

Limited awareness of impact investing approaches, lack of reliable data and regulatory uncertainty continue to constrain private investment in agrifood. Investors reported difficulties in assessing risks, returns and impacts due to fragmented information and inconsistent impact definitions.

Relationships, trust and learning are essential

Repeated interaction, learning opportunities and trust-building are central to attracting private funding. Investors value engagement with science and policymakers, as well as concrete case examples. Event formats that combine dialogue, real investment cases and practical tools were especially effective.

Recommendations on how to attract private funding for food system innovations

The research and innovation community and, in particular, the projects, organisations, living labs and initiatives that are part of the Food 2030 Networks, can use the following suggestions to support stronger mobilisation of private funding for food system transformation.

#1 ENGAGE DIRECTLY WITH INVESTORS

Researchers, living labs and innovation actors are encouraged to step out of their traditional comfort zones and engage directly with private investors. While this can be challenging, direct interaction helps build mutual understanding, align expectations, and increase investors' awareness of food system challenges and innovation potential.

Business events for connecting with investors can be found using keywords such as "Invest Events" or "Innovation Accelerator Hub". University technology transfer offices (TTO) can be another avenue to pursue.

#2 STRENGTHEN LINKS WITH START-UPS AND INNOVATORS

Researchers, NGOs, cities and living labs can play a stronger role in connecting research and innovation to market uptake by becoming more familiar with start-ups and entrepreneurial ecosystems. Proactively engaging with innovators enables better support for scaling solutions and improves their visibility to potential funders.

#3 IDENTIFY AND SUPPORT PROMISING SOCIAL INNOVATIONS

Social, governance and behavioural innovations are often underestimated compared to technological solutions, despite their potential to drive systemic change. Promising social innovations should be actively identified and showcased to investors and policymakers as scalable and impactful solutions. To better understand the language of investors, it is useful to read an annual report of an impact investment fund, explore digital pitches of EU-funded projects seeking venture capital on the [Horizon Europe Results Platform](#), or search EU project deliverables using keywords like "commercialisation", "business plan" or "business model canvas" on the [CORDIS Platform](#).

#4 GET INVESTORS INVOLVED IN THE FOOD 2030 NETWORKS

By positioning the FOOD 2030 Networks as an accelerator for transformative food system innovations, the networks can serve as a valuable platform for investors to engage with start-ups, innovators, and research initiatives. This engagement can help generate a pipeline of high-potential, future-ready solutions.

#5 SUPPORT PROJECTS IN ACCELERATING RADICAL FOOD SYSTEM INNOVATION

Radical food system innovations can be accelerated by leveraging EU instruments that foster partnerships between innovators, investors and food policy actors. Projects that experiment with innovative formats for these investment partnerships can play a key role in driving systemic change.

Conclusions

Engaging with impact investors is crucial for scaling up food system innovations. By stepping out of traditional research spaces, understanding investment landscapes and proactively networking, researchers can play a vital

role in shaping the future of sustainable food systems. The full study D4.1 "Private funding to support radical food system innovation in Europe" is available on the project's website.

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