



Enabling poor rural people  
to overcome poverty

A woman with a joyful expression is shown in a lush green field. She wears a vibrant, patterned shawl in shades of green, yellow, and red over a red t-shirt. She is holding a red plastic basket filled with freshly harvested green okra. The background is a clear blue sky and more green foliage.

# IFAD AT A GLANCE

# IFAD's purpose

The goal of the International Fund for Agricultural Development (IFAD) is to enable poor rural people to improve their food and nutrition security, increase their incomes and strengthen their resilience. IFAD also acts as an advocate for poor rural women and men. Our multilateral orientation provides a strong global platform for discussing rural policy issues and increasing awareness of why investment in agriculture and rural development is critical to reducing poverty and improving global food security.

## Where we work<sup>1</sup>

- Sub-Saharan Africa: 42 countries with 115 ongoing programmes and projects
- Asia and the Pacific: 19 countries with 59 ongoing programmes and projects
- Latin America and the Caribbean: 19 countries with 31 ongoing programmes and projects
- Near East, North Africa, Central Asia and Eastern Europe: 14 countries and 1 territory with 35 ongoing programmes and projects

## How we work

**Partnerships** are central to everything IFAD does. The Fund is, in fact, a unique partnership of members of the Organization of the Petroleum Exporting Countries (OPEC), other developing countries, and member countries of the Organisation for Economic Co-operation and Development (OECD). IFAD works with developing country governments, poor rural people's organizations, non-governmental organizations and the private sector to design innovative programmes and projects that fit within national priorities for agriculture and rural development. We also work closely with other multilateral financial institutions, bilateral donors and United Nations agencies, especially our sister Rome-based agencies – the Food and Agriculture Organization of the United Nations and the World Food Programme. Other partners include international agricultural research centres, policy research institutes and universities. And we have been expanding our partnership strategy to involve the private sector in providing agricultural production, processing, marketing and financial services to the smallholder farming sector. In 2011, we revised our private-sector strategy to improve our engagement with the private sector.

<sup>1</sup> As of 31 December 2011.

# Major achievements

## Agricultural production and productivity

Helping farmers increase agricultural production and productivity is a priority of many IFAD-supported projects. Long-term improvements in these areas can only be achieved by managing land, water and natural resources sustainably. IFAD also works to develop markets for environmental goods and services.

Results reported in 2011 include:

- 4.5 million people trained to use improved agricultural practices and technologies
- 5.5 million hectares of common-property resource land under improved management
- 18,000 kilometres of roads constructed or repaired
- 13,000 marketing groups formed or strengthened
- 716,000 people trained in business and entrepreneurship
- 2.1 million people trained in community management

## Rural finance

Most of the world's 1.4 billion very poor people live in uncertain conditions, without the security of reliable income, shelter or food. Being able to save or borrow small amounts of money can make a big difference in their lives. IFAD is one of the world's largest lenders supporting rural finance for poverty reduction. The Fund promotes access to a wide range of financial services, including savings and insurance, to meet the diverse needs of poor rural people.



In 2011, IFAD formally extended its partnership with the Microfinance Information Exchange (MIX), where microfinance institutions around the world report their financial and social performance. IFAD also supports many decentralized financial institutions. These have been effective in providing financial services in remote rural areas.

Results from ongoing projects include:

- 30 million borrowers from IFAD-assisted microfinance institutions
- US\$200 average loan size
- 15 million voluntary savers
- US\$127 average savings
- Women accounted for 83 per cent (or 24 million people) of active borrowers served by IFAD-supported microfinance institutions

## **Focus on women and indigenous peoples**

Women are major players in the agriculture sector, yet they have significantly less access than men to assets, services and markets. In addition, poor rural women do essential chores such as gathering firewood, collecting water, washing clothing and tending to children. Women are also often responsible for farm work and earning cash. As a result, women frequently have 16-hour work days, much longer than men's. In many rural societies, women have weak land rights, or are denied rights entirely, resulting in higher rates of poverty for themselves and their families. IFAD recognizes that there will be no substantial progress in poverty reduction unless there are greater efforts to promote gender equality and empower women.

Indigenous peoples account for an estimated 5 per cent of the world's population, but are 15 per cent of the people living in poverty. To reach them requires tailored approaches that respect their values and build on their strengths. IFAD's targeted, participatory approach to grass-roots rural development and its experience in empowering poor people and communities give the Fund a comparative advantage in working with indigenous peoples, even in the most remote rural areas.

In 2011:

- About half of all IFAD project participants were women
- More than 60 per cent of people trained in business and entrepreneurship and community management were women
- The Indigenous Peoples Forum was set up by IFAD
- IFAD received an award from the Centro de Culturas Indígenas del Perú in recognition of IFAD's contribution to the development of indigenous peoples and the protection of their rights

## Building institutions

To be sustainable, development cannot be imposed from the outside, but must come from within the country itself. The programmes and projects we finance are tailored to reinforce and amplify the effectiveness of national policies. We work closely with agriculture and finance ministries and related institutions to ensure that their support extends to small farmers and that public spending for agriculture reaches the poorest people.

IFAD is also increasing its country presence to promote country ownership, leadership and accountability. We work to strengthen national and local capacities (including those of rural communities and civil society organizations) for improved design, management and impact of strategies and programmes.

## Impact of IFAD's investment

The Fund has:

- Mobilized close to US\$21 billion in cofinancing and funding from domestic sources for rural development, in addition to IFAD's contribution of about US\$13.7 billion in loans and grants
- Supported 892 programmes and projects in 116 countries and one territory
- Empowered some 400 million people to grow more food, better manage their land and other natural resources, learn new skills, start small businesses, build strong organizations and gain a voice in the decisions that affect their lives



## What is IFAD?

IFAD is an international financial institution and a specialized United Nations agency dedicated to eradicating poverty and hunger in rural areas of developing countries. IFAD provides low-interest loans and grants to developing countries to finance innovative agricultural and rural development programmes and projects. It is among the top four multilateral institutions working in agriculture in Africa. In 2011, the largest share of new IFAD financing went to sub-Saharan Africa.

The decision to create IFAD was made in 1974 in the wake of the great droughts and famines that struck Africa and Asia in the preceding years. At the 1974 World Food Conference, world leaders agreed that “an international fund ... should be established immediately to finance agricultural development projects.”

IFAD has a total membership of 167 countries from around the world, including OPEC and OECD members, and developing and middle-income countries.

IFAD brings the point of view of smallholder farmers and rural entrepreneurs to bear on international policy deliberations, and builds their capacity so that they themselves can engage in and influence relevant policy processes.

IFAD has its headquarters in Rome, Italy.



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