

**Statement by Nepali PR/Ambassador Deepak Dhital at the Forty-First Session of  
the Governing Council of International Fund for Agriculture Development (IFAD)**  
**Rome, 13-14 February 2018**

**Mr. Chairperson**

**Distinguished Governors from IFAD Member countries**

**Ladies and Gentlemen**

It is indeed an honor and pleasure to address this august session of IFAD Governing Council dedicated to the theme of rural resilience and transformation, which is central in ending poverty and hunger and achieving inclusive development and prosperity. More than 70 percent people living in rural areas, especially in developing and least developed countries, are farmers who remain primarily poor and marginalized. Investment in this sector therefore is perfectly in tune with the pledge of 'leaving no one behind' as envisaged by 2030 Agenda for Sustainable Development Goals.

Currently Nepal is in 144<sup>th</sup> position on HDI out of 188 countries and nearly 1/4<sup>th</sup> of the population is living below poverty line. Chronic poverty and food insecurity remain major challenges for the country. Around 80 percent of the population of Nepal resides in the rural areas where agriculture and related activities are the prime sources of livelihood. More than 52 percent of the farmers in the rural areas are smallholders with per capita land holding of 0.5 ha. Mono-cropping with higher level of commercialization is virtually impossible in the current circumstances due to small landholding and other socio-economic barriers. However, development of non-farm micro, small and medium enterprises is possible through investments in new technologies and innovation to generate higher per capita income. Capacity development is necessary to use technology and innovation to reap benefit from the rich variety of bio-ecological zones available in the diverse terrains of the country. At the same time, for sustainable transformation of the rural economy, it is essential to address the climate change challenges through suitable adaptation and mitigation measures.

The ongoing Agriculture Development Strategy looks forward to modernization and commercialization of agriculture and the Prime Minister Agriculture Development Programme encourages the pooling of land resources into bigger plots, zones and super-zones for higher agriculture production and productivity.

The adoption of a new federal democratic constitution in 2015 and the successful holding of the three tiers of Governments at the local, provincial and federal levels just recently have created strong foundation for political stability, creating an environment for more

robust economic growth and shared prosperity. As agriculture and rural transformation is central to the sustainable development of Nepal, this important sector will definitely come into priority.

**Mr. Chairperson,**

I would like to acknowledge the works of IFAD in Nepal for overall socio-economic development of the country. Currently, we have six projects being implemented in Nepal funded by the IFAD of which two projects - Improve Seed for Farmers Project and High Value Agriculture Project are directly implemented by Ministry of Agricultural Development and the rest are implemented by various other line ministries in close coordination with Ministry of Agricultural Development. The High Value Agriculture Project is in the closing stage, and we stand for the continuation; a new project Agriculture Sector Development Programme (ASDP) is at the stage of agreement. These projects have shown greater impact on economic prosperity of farmers and rural resilience. However, Nepal requires more investments in the days to come to achieve the SDGs targets, more particularly those related to eliminating hunger and poverty and promoting equality and justice. In this respect, I request IFAD management team to consider enlarging Nepal Portfolio to help our Government achieve the core goals of agenda 2030.

**Mr. President,**

The Government of Nepal has initiated policy reforms for creating enabling environment for the investment to get better output in the context of Federal system of the country. The Agriculture Development Strategy keeps the vision to develop “A self reliant, sustainable, competitive and inclusive agriculture sector that drives economic growth and contributes to improve livelihoods and food and nutrition security leading to food sovereignty”. Likewise, the Government of Nepal has committed to implement Zero Hunger Challenge Initiative to eliminate all sorts of hunger by 2025. We believe in cooperation and collaboration with multilateral and bilateral development partners for the building of a prosperous, peaceful and resilient Nepal.

**Mr. President,**

Finally, it is my pleasure to commit an amount of US\$ 75, 000 contribution from the Government of Nepal for the 11<sup>th</sup> replenishment of IFAD. Our contribution to this Fund will continue in the future.

I thank you all!

