

IFAD Governing Council (14-15 February 2019)
Written statement on behalf of Germany
By Governor Dominik Ziller

Food production around the world must rise by half in the next 30 years to sustain a global population expected to top 10 billion by 2050. Creating new prospects for people living in rural areas is one of the key challenges we are facing in this regard. The agricultural sector in Africa has **enormous potential but needs more investment** to become more dynamic and attractive, especially with regard to job creation. **This is particularly true for young men and women**, who will constitute the vast majority of Africans in the near future. **Germany highly welcomes IFAD's strong commitment to taking on a prominent role in this regard and towards achieving the 2030 Agenda.** We believe that successful rural development – building on a concept of empowering smallholders and empowering women and girls, including as entrepreneurs, as well as young people in general – is key to achieving resilient development, poverty eradication and food security.

Against this background, Germany has increased its core contribution to IFAD 11. Germany remains strongly committed to IFAD and its programs, which are in line with our policy priorities in general and with our Marshall Plan with Africa in particular with a view to fighting hunger and malnutrition. Germany has launched its special *ONE WORLD – No Hunger* initiative, which is now reaching nearly 10 million smallholders and is helping to reduce malnutrition. It is creating 400 million euros' worth of smallholder income and facilitating investment in soil rehabilitation and smallholder land rights.

The focus on helping young people, especially in Africa, and on fragile countries – those countries which are furthest from achieving the SDGs – should remain IFAD's core mandate. We encourage IFAD to continue to adhere to the principle of leaving nobody behind. I therefore encourage IFAD to keep its focus on poor countries and fragile contexts, particularly in Africa, and capitalize on its comparative advantage in this regard. We also strongly support the implementation of IFAD's mainstreaming approach, which was agreed during the replenishment for IFAD 11 with regard to **nutrition, youth employment, climate and gender**. These are key priority areas for German development contributions, too.

Let me highlight two concrete examples where Germany has gained expertise in the past few years. The Green Innovation Centers funded by the German government, for example in Cameroon, promote value chains through a number of different measures. The Centers support small-scale farmers through agricultural training, promotion of entrepreneurial attitudes and behavior, and assistance for the organization of farmers' groups. **It is very important to reach private sector actors in Germany**, so that they can become involved in the program through innovative partnerships.

We believe that **working together with innovative tech start-ups in the agricultural sector will support an enabling environment for young entrepreneurs** in rural areas and the digital sector. In Ghana, for example, we are initiating the Make-IT Africa Initiative to help provide better access to finance, markets and skills. The Make-IT Alliance is a grouping of more than 20 European digital companies, business networks and financing partners. We want to support an enabling environment for young entrepreneurs in the digital sector in Ghana. But of course we also need to emphasize inclusion, transparency and fairness as vital prerequisites for the introduction of digital technology.

I am **convinced that financial sustainability** and strong cooperation and alignment with partner country priorities and sector strategies will be key for IFAD in the coming years. With

a view to strengthening IFAD's impact, **Germany fully supports the ongoing reform processes with regard to the financial architecture and IFAD's new business model.** We are very pleased to see the first results of the ongoing reform process already reflected in the budget for 2019, and we fully support the ongoing process, especially on reforming the Debt Sustainability Framework (DSF). We would also like to highlight the achievements of the implementation of UNDS reform, as well as the strong and effective collaboration with the Rome-based agencies FAO and WFP.

I would like to thank President Gilbert Houngbo and IFAD management and staff for their extraordinary efforts in engaging in a comprehensive reform agenda. In line with the old saying that Rome wasn't built in a day, I would like to encourage you to reflect on the sequencing of reform processes in light of IFAD's comparative advantages. This remains crucial in order to achieve consolidated outcomes. I am aware that the decentralization reform as well as the development of IFAD's new business model and the implementation of the mainstreaming agendas constitute a tremendous workload. I know that this cannot be implemented without the deep intrinsic motivation of the people who dedicate their time and efforts to IFAD and to project implementation.

I would also **like to explicitly thank President Gilbert Houngbo for his visit to Germany** in November last year and the valuable discussions we had at the Ministry, but also in Parliament. The exchange has been very important to us and I am very much looking forward to continuing to work with you towards IFAD 12.