

Statement by the representative for the Italian Republic

It is both an honour and a pleasure for me to participate in this important annual gathering and to note the presence and participation of so many stakeholders, a testimony to the always lively interest in and support for the International Fund for Agricultural Development.

This forty-second session of the Governing Council is especially important, not only because the overarching theme of the discussions – Rural innovation and entrepreneurship – is extraordinarily timely, but because innovation and entrepreneurship are key instruments for breaking the negative cycle of poverty.

This year's Council also provides an occasion to reflect on and discuss the most recent replenishment of resources – IFAD11 – which was completed a year ago in February, with the confirmation of ambitious objectives in terms of assistance to the populations and countries most affected by rural poverty, and at the same time reaffirming the need to further strengthen the role of the Fund and constantly improve its structure, organization and strategy.

The Fund has made progress in the past year, steadfastly pursuing the objective of strengthening its network of country offices, equipping them with new operational and strategic planning tools and promoting the review of procedures and processes for managing the risks that inevitably arise in activities to support small agricultural enterprises in the most remote areas of the planet.

In particular, IFAD has continued implementing a very ambitious but very concrete assistance plan for the most fragile and needy countries.

These are precisely the themes of the important debates and discussions that will take place over the course of these two important days and guide the deliberations on the repositioning of policies and instruments for the development of the United Nations system.

For us, serving as the host country of its agrifood hub is and always has been a point of pride, since the agrifood industry has long been a very important component of Italy's culture, scientific research and economy. We therefore recognize its value and usefulness.

Our appreciation of IFAD is not limited to the contribution it makes. We value IFAD's focus and capacity to address the needs of small agricultural enterprises and reduce rural poverty. We are particularly interested in the work being done in Africa, especially in the north of the continent. IFAD's presence is important wherever the structural transformation of developing economies is accompanied by shrinkage of the agricultural sector, which has many consequences, including migration.

Today more than ever, the goals of ending hunger, ensuring food security and improving nutrition are timely and must urgently be addressed, not only because they are key points of the 2030 Agenda, but especially because they will be achieved through investments in skills, improved production, market access, innovation and research, which will foster sustainable and inclusive economic growth.

This is why it is also imperative to attempt to mend the cracks that are beginning to appear in the international cooperation architecture, sometimes the result of a diminishing commitment to multilateralism. Let us hope that multilateral institutions are able to join forces and operate as a real "system", capitalizing on their specific attributes and strengths, without competing among themselves for financial resources. IFAD's current strategy, which stresses cooperation and cofinancing, is moving in the right direction.

The world continues to be wracked by poverty, fragility and natural disasters.

We expect that as an institution dedicated to promoting rural development, IFAD will efficiently and effectively pursue its mandate, remaining focused on its area of

competitive advantage and building on its strengths: a dedicated staff, a wealth of cumulative knowledge and capacity acquired over many decades of operation, and the support of its Members.

For an organization that is smaller than other multilateral institutions, it must continue growing the capacity to keep relations with its stakeholders alive and dynamic and succeed as an institution capable of adapting its role in the face of a rapidly changing external context.

It will therefore be important to demonstrate that it has the capacity to produce credible and measurable results.

Consequently, we expect the restructuring and strengthening of the network to yield a series of tangible results in terms of engaging new stakeholders and strengthening cooperation with Member States and other agencies inside and outside the United Nations system.

We expect that the review and improvement of internal procedures for managing the programme of loans and grants and the risk management programme will result in greater internal efficiency and ongoing attention to project quality, both of which are essential to ensure the capacity to influence and to respond to the beneficiaries' demand for support and knowledge.

Meeting this objective is also essential to raise the Fund's visibility to attract potential partners in the private sector.

Finally, we expect tangible progress in the restructuring of the Fund's financial architecture, given the urgent need, particularly from a longer-term perspective, to ensure its financial sustainability whether in its present configuration or through the gradual introduction of some other form of financing in addition to core contributions (which should remain the principal source of IFAD resources).

This cannot be accomplished quickly without the firm support of the Member States.

Undoubtedly this is a daunting challenge in an external context that is constantly evolving, precisely when the institution is engaged in an in-depth redesign of its strategies, processes and operational instruments essential for making progress and improving the environment for the Board's oversight and guidance functions.

The reform process and the pursuit of innovation – both aimed at providing solutions that will serve to increase the effectiveness of the Fund – require a clear awareness that the governing bodies actions should influence – respecting the functions of the Board and Management – institutional coordination in its entirety: financial management and resource use, internal organization and medium-to-long term strategy.

On this occasion, I would also like to remind you of IFAD's unique importance, which should continue to be valued within the United Nations Roman hub.

As the proactive host of the Fund and the entire United Nations agrifood hub, Italy is very pleased that the Membership has reached a broad consensus in favour of increasing synergy and interaction among the three RBAs, which, in turn, are responding to this input with increasing commitment.

In the context of the repositioning of the United Nations development system by decision of the General Assembly and promoted by the Secretary-General, the creation of a true food and agriculture hub in Rome will definitely improve the United Nations' overall coherence and effectiveness in meeting the goals of the 2030 Agenda.

Finally, I would like express the Italian Government's support and appreciation to President Hounbo, not only for his resolute and dedicated work to boost the efficiency and effectiveness of the Institution, but also for his genuine efforts to reposition the Fund in the landscape of multilateral cooperation, which is a challenge at this complex moment in our history.