



Statement by
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to the
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of the
Governing Council

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Mr Chairperson,
Vice Chairs,
Excellencies,
Distinguished Governors,
Ladies and Gentlemen,

Welcome to the forty-third session of IFAD's Governing Council.

Allow me to begin by paying tribute to the excellent work of the outgoing bureau.
I commend you.

I would like to welcome the members of the new Governing Council Bureau. Welcome to our new Chairperson, Mr Suminto, Governor of IFAD for Indonesia; and to our new Vice-Chairpersons: Ms Marie-Therese Sarch, Governor of IFAD for the United Kingdom, and Ms Clémentine Ananga Messina, Governor of IFAD for Cameroon.

A special welcome, also, to the representatives of farmers' organizations who have just concluded their own forum at IFAD headquarters.

I would like to express my personal solidarity, and that of IFAD, with the countries and families affected by the coronavirus outbreak – and in particular with China which is the most severely hit.

This is an historic moment in time. We are gathered together at the dawn of a new decade, on the long road towards achieving the Sustainable Development Goals (SDGs).

Look back to when we set out on this road. That was in 2015; we were confident that we had the knowledge, experience and determination needed to create a world in which no one would be left behind. Now, after five years of hard work, it is our duty to ask ourselves what has been achieved.

According to the Secretary-General's SDG Progress Report, governments have made a priority of integrating the SDGs into national plans and policies. Extreme poverty is declining. So is child mortality. More people have access to electricity. There has been good progress in some of the gender equality targets.

But there is still cause for concern. Despite the progress, ending hunger and extreme poverty by 2030 is still out of reach. It is an abstract vision; a distant mirage.

Around the world, climate change is threatening food systems. Sea levels continue to rise. Extreme weather is becoming more frequent, and more severe. Food supplies are threatened by drought, flood and fire. Making matters worse, conflict and fragility are directly affecting rural people.

And it is rural people – and especially small-scale farmers – who, as always, suffer most.

Faced with these challenges, the question is: how can we accelerate progress to achieve once and for all a world free from poverty and hunger?

The answer is clear: continue working tirelessly for the poorest, most vulnerable rural people.

79 per cent of the world's poorest people and the vast majority of the hungry live in rural areas. This is a fact.

Many reports by international institutions – among them the World Bank report – clearly indicate that economic growth in agriculture is two to three times more effective at reducing poverty than growth in any other sector.

We also know that that 63 per cent of the world's poorest people work in agriculture, most on small farms. These small-scale farmers produce half the world's food calories on 30 per cent of its agricultural land.

Investing in rural areas delivers prosperity, food security and resilience. That is precisely why IFAD has such a vital role to play.

Allow me to briefly recall the reasons why IFAD is so unique as an institution.

IFAD operates in remote and highly vulnerable regions, where few aid agencies or international financial institutions venture.

Our sole purpose is unequivocal: to invest in rural economies and to promote food security, and sustainable and inclusive growth.

Since 1977, IFAD has reached more than half a billion people. And every year, IFAD's projects help increase the incomes of 20 million poor rural women and men by more than 20 per cent -- as well as increasing the amount of food they produce, their profit margins and their resilience.

IFAD's programmatic and community-driven approach to development has been proven to generate results.

Durable results require an inclusive approach and real ownership of projects on the part of communities. This approach pioneered by IFAD has proven effective, particularly in fragile situations. The communities we work with throughout each stage of the project have invested over US\$2 billion of their own money in their own development.

IFAD's portfolio is firmly anchored in governments, nearly 100 to date. These partnerships involve not only funding but also policy advice.

I now want to turn from what IFAD has done to what we have still to do. IFAD has a strong foundation, but it must do more, and for that we need the support of you our Member States.

Today, 31 countries are severely off-track for eliminating extreme poverty. By 2030, 80 per cent of the world's extremely poor people will be concentrated in these 31 countries. The World Bank estimates that climate change could push an additional 100 million people into poverty by 2030, largely due to its impact on agriculture.

We are faced with challenges of record scale.

Therefore, our ambition is to have a programme of loans and grants of between US\$4 billion and US\$5 billion for the IFAD12 period.

A robust agricultural sector lies at the heart of sustainable food systems.

Our ambition is to double our impact on the ground in the decade ahead. Low-income and lower-middle-income countries will continue to be IFAD's priority. We are also in the process of developing more diversified financial products that better respond to the needs of upper-middle-income countries.

IFAD will further leverage core resources to augment its borrowing capability.

The programme of loans and grants is, and will remain, the bedrock of IFAD's support to beneficiary countries.

It is based on the replenishment of core resources and therefore depends on your levels of contribution.

IFAD12 will introduce two new instruments to respond to growing demand: a new Private Sector Financing Programme and the expanded Adaptation for Smallholder Agriculture Programme (ASAP+).

ASAP+ builds on the success and experience of ASAP1, which was implemented across 41 countries. With regard to climate finance, support for both adaptation and mitigation in rural areas needs our attention.

The private sector window will also create opportunities in rural areas. It will crowd in private sector investments, know-how and innovation to benefit young rural entrepreneurs. Its greatest impact will be on job creation for youth and women.

With only 10 years left to meet our Agenda 2030 commitments, it is important to get SDG2 back on track. Over the next two years, it will be crucial to build political commitment and mobilize resources. With this in mind, the Secretary-General of the United Nations is convening a Food Systems Summit in 2021, and I urge all partners to actively contribute to its success.

The road ahead is clear: the road to achieving the SDGs must run through rural areas. We must travel to the end of that road and invest in the most marginalized people – small-scale producers, women, youth and indigenous peoples – to deliver on our SDG commitments.

With this deep conviction, we are asking you for increased support so that together we can end hunger and poverty in the world. This is what it takes to bring us closer to achieving the SDGs, which are so vital to us all.

Doubling our impact on the ground between now and 2030 to fully contribute to a world without extreme poverty and hunger: yes, IFAD can do it!

We are counting on you to help make this happen.