# Statement by the Nordic countries Denmark, Finland, Iceland, Norway and Sweden IFAD Governing Council

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### Investing in sustainable food systems to end hunger by 2030

We urgently need sustainable food systems that can feed a world of soon 10 billion people. Food systems also have the potential to address some of our most pressing global challenges, beyond food security – such as health problems, climate change, and biodiversity loss.

To meet the world's growing needs, food production must increase sustainably, food losses and waste must be reduced and value chains must become more efficient. Our current food systems are at risk, both in the Global North and in the Global South, and not least under the impact of climate change. In their present form, food systems are failing to ensure access to safe and nutritious food for all in a sustainable way, aligned with Agenda 2030 and the Paris agreement. IFAD has an important role to play in helping to achieve SDG2 to end hunger, achieve food security, improve nutrition, promote sustainable agriculture and linkages to other SDGs.

One of the greatest challenges facing smallholder farmers is the impact of climate change. IFAD is, with its focus on small holders, well positioned to help build climate-resilient agriculture, and food production and sustainable value chains. The efforts should support both mitigation and adaptation measures, including protection and rehabilitation of biodiversity and its ecosystems services.

The Nordic countries are founding members of IFAD and share the vision to end hunger and poverty by helping smallholder farmers to increase their productivity, adapt and prosper. Through the years, we have contributed in different ways to IFAD, through replenishments, as well as to IFAD programmes, including at country level.

Investment in solutions will be key to transforming food systems to address the global climate crisis and reach the SDGs. Achieving SDG2, sustainable food systems and the related SDGs will require increased international cooperation.

IFAD's work with partners at country level is key. We support IFAD's engagement in the UN Sustainable Development Cooperation Framework (UNSDCF) and the Common Country Analysis. We encourage IFAD together with WFP and FAO to ensure more aligned outcomes towards SDG2 and the whole of the SDG-agenda in-country in line with the UN Development System Reform – together with governments, other development actors and the private sector. Ensuring coherence between short-term emergency food assistance and longer-term development-oriented climate resilient agriculture, food production and job creation is essential. We expect the RBAs to work in synergy at country level, despite their different roles in the aid architecture and funding flows, and based on their respective comparative advantage.

The Nordic countries want to see results on the ground, where it matters. The consolidation of IFAD's decentralized structure must strengthen its effectiveness in rural areas. We welcome the MOPAN assessment that IFAD's results culture is growing stronger. IFAD has a strong track-record for

promoting gender equality and women's empowerment, and we trust that the strengthened results focus will contribute to more transformative and sustainable change in this area.

# Leaving no-one behind when achieving SDG2

We know we are lagging behind when it comes to the implementation of SDG 2 on zero hunger and malnutrition. The State of Food Security and Nutrition in the World 2019 shows a rise in world hunger the last three years after a prolonged decline. About one in nine people are undernourished, and 2 billion suffer micronutrient deficiencies. A focus on the most vulnerable 113 million people across 53 countries who experience acute hunger must be at the core of our efforts. The Nordic countries support IFAD's efforts to invest in and address the most pressing challenges in the poorest countries, including food insecurity.

## IFAD's poverty focus

The Nordic countries continue to strongly support IFAD's mandate to address poverty and consider that targeting of the Least Developed Countries crucial. We welcome a discussion on a graduation policy for IFAD. Here, IFAD has much to learn from, and possibly to adapt from IFIs.

# Climate change

The Nordic countries support IFAD's commitment to invest in climate-focused mitigation and adaptation actions and building the resilience of rural people to climate shocks, and will advocate for a continued high ambition for increased climate-finance in the framework of IFAD12. IFAD is encouraged to ensure that interventions are aligned with the Paris-agreement and contribute to the development of sustainable climate-resilient societies, needed to reach the SDGs. The Nordic countries recognize climate change as one of the primary drivers of hunger and poverty. Smallholder farmers and poor rural people bear the brunt of climate change and the degradation of natural resources, including biodiversity loss. Extreme weather is putting pressure on the ecosystems that farmers depend on. Climate change undermines food security of rural people, especially in sub-Saharan Africa, where lack of livelihoods result in instability and migration. We welcome IFAD's contribution to smallholders' adaptation to climate change through the scaling up of IFAD's Adaptation for Smallholder Agriculture Programme (ASAP). IFAD's collaboration with the Green Climate Fund (GCF), enabling investments in low-emission and climate-resilient agriculture, also looks promising.

#### **Engagement with the private sector**

IFAD's partnering with the private sector is essential to find solutions. We welcome the Agri-Business Capital Fund that invests in creating jobs for young people in rural areas, particularly in Africa. The approval by the IFAD Executive Board of the private sector strategy is an important step towards opening collaboration on private sector initiatives between IFAD and the Green Climate Fund. Building IFAD's capacity for private sector lending should be a priority. Public-private partnerships are crucial as a modality and should be encouraged by IFAD.

#### IFAD's role in the financial architecture

To raise additional funds, the management has opted to establish a number of instruments for specific purposes. Through the years, we have contributed in different ways to IFAD, through replenishments, through complementary contributions, by concessional loans as well as to IFAD programmes at country level. IFAD needs to strike the right balance between core replenishment resources and other resources to secure the financial sustainability of its operations.

The financial base of IFAD must be strengthened. The Nordic countries therefore welcome the much-needed reform of the Debt Sustainability Framework and further progress on the reform of IFAD's financial architecture which is crucial for the sustainability of IFAD's financial situation.

We take note that IFAD plays an important role in climate finance and that so far 35% of the total IFAD11 investments have been validated as climate financing (cf. IFAD Climate Action Report, Dec. 2019).

The Nordic countries look forward to continue engaging with IFAD – through replenishments or support to IFAD's action at country level.

## **Food System Summit 2021**

The Nordic countries expect that the Food System Summit in 2021 will result in concrete action to transform our food systems towards sustainability and a world free from hunger and malnutrition. We urge IFAD to contribute towards a "solutions summit" which will be an inspiration for accelerating sustainable actions. We expect the RBAs to align their preparation for the Summit – in close consultation with the other relevant UN bodies, member states, the private sector, IFIs, civil society and academia. We call for an inclusive, transparent and cost-efficient process, where the environmental and emissions footprint of the summit is limited in line with our commitment to sustainability.