

44th Session of the IFAD Governing Council (February 2021)

Mr. President,

Governors,

Delegates,

In these very special circumstances, France and Germany have decided to deliver a joint statement, showing our support for IFAD and our backing for shared priorities in the coming years.

Last year was a very unusual year, and the fact that we cannot meet in person in Rome right now reminds us all that its aftermath is still being felt. The worldwide crisis caused by the pandemic is indeed still ongoing, and it will continue to hit the world's poorest and most vulnerable economies especially hard, particularly in rural areas.

All the components of the crisis – health, the economy, security, social protection, lockdowns, disruption of international and domestic supply chains, market failures – are expected to make the rural poor population, which accounts for more than three quarters of the world's extreme poor, even more vulnerable; this is especially true for women and girls. The 2030 Agenda and SDGs 1 and 2 are therefore likely to suffer serious setbacks.

With its specific mandate and efficient processes, IFAD is the perfect organisation to address this aspect of the crisis, and we are convinced that IFAD's engagement needs to be further mobilised, now more than ever. Indeed, IFAD's "last mile" reach to remote rural areas makes it one of the few institutions that can prevent the situation on the ground from becoming even worse. Moreover, IFAD's mainstreaming approach to climate, gender, nutrition and youth ensures long-term sustainable development, thus delivering on the promise to build back better.

Despite the given difficult circumstances, during its 11th replenishment cycle IFAD has continued to develop into a more modern International Finance Institution. We are confident that these steps will put IFAD in a stronger position to become more resilient, to deliver on its mandate and to increase its impact. Two excellent credit ratings will give IFAD better access to borrowing and will help preserve instruments financed by core contributions for the poorest.

We trust in IFAD's management skills to closely and prudently monitor its liquidity and financial sustainability, and to mitigate risks and cost drivers, thus ensuring that IFAD is able to efficiently and effectively fulfil its mandate by supporting those most in need.

The ambitious agenda designed by management and Member States for IFAD 12 is very inspiring, both on cross-cutting priorities such as climate, and with regard to enhanced support for the poorest and most fragile countries. These additional efforts have been widely welcomed, with generous pledges already made last December, both from major contributors and from beneficiary countries.

As IFAD 12 is both ambitious and necessary to address rural poverty at this critical time, the German government and the French government have both decided to significantly increase their financial support to IFAD to an all-time-high. We urge all Member States to join us in making an ambitious contribution in order to put IFAD in a position to act in a counter-cyclical way and provide the countries

that are most in need with the necessary resources to support resilience in the poorest areas. We call on IFAD to help countries to build back better – in terms of economic, social and environmental sustainability.

Looking forward, both our governments will continue pushing IFAD towards tailoring sustainable development for the poorest rural people in the poorest and most fragile countries. This implies strengthening IFAD's mainstreaming themes, especially with regard to climate and biodiversity: as the current crisis indeed shows, rural development needs to be promoted in harmony with climate issues, and be anchored in nature-based solutions, such as agro-ecology. This also means that IFAD will have to leverage more resources from more diverse sources – as now allowed thanks to the recent borrowing framework reform – while avoiding any untimely innovations that could create mission drift and might compromise IFAD's added value within the UN system. Indeed, IFAD must stay focused on the poorest countries, particularly in sub-Saharan Africa and in the Sahel, in order to keep delivering on its unique mandate.

Both of our governments wish you an excellent 44th session of the Governing Council and we look forward to working with you throughout the coming year and reaffirming our ambitious goal of eradicating rural poverty and hunger through multilateral cooperation.