

**45th Session of the Governing Council, International Fund for Agricultural Development
(IFAD)**

General Statement by Canada, February 16, 2022

**Submitted by: Peter MacDougall, Assistant Deputy Minister, Global Issues and
Development, and Governor of Canada to IFAD**

Mr. President, Mr. Chairman, Governors, and Distinguished Guests,

It is my honour to present this national statement on behalf of the Government of Canada to the 45th Session of the Board of Governors of the International Fund for Agricultural Development.

We welcome this year's Governing Council theme: "Leveraging innovations and finance for a climate-resilient and inclusive recovery". This theme reflects a core tenet of IFAD's value added – its ability to leverage innovation and assemble finance for the poorest.

As we seek to recover from the impact of a pandemic that has exacerbated food insecurity, and impacted livelihoods of the rural poor, it will be critical to draw on lessons learned during the pandemic about vulnerability and inequality to ensure a resilient recovery. The direction set forth for IFAD12, and the ambitious goal of doubling impact by 2030 provides IFAD with a unique opportunity to support and guide this recovery. Over the next three years, IFAD's focus should be on climate, gender equality and diversity and inclusion and capitalizing on innovative finance opportunities. With this focus, IFAD can accelerate progress towards the Sustainable Development Goals and contribute to building climate-resilient food systems.

Building climate-resilience through innovation and investment

The livelihoods of smallholder farmers are reliant on climate-sensitive natural resources and science has clearly shown that climate change is exacerbating all of the threats that farmers face, such as droughts, floods, pests, landslides and major storms. And yet IFAD reminds us that only 1.7% of climate finance reaches small-scale farmers. As IFAD embarks on the implementation of IFAD12, it has an opportunity to further solidify its position as a central figure in the fight against hunger and poverty, and also establish itself as a critical force in climate adaptation and resilience. Canada commends IFAD's increased ambitions on climate action and we are pleased that, starting this year, the organization will operate with its first Strategy on Biodiversity. We fully support the IFAD12 planned scale up to 40% climate focused activities which builds on the success of exceeding the 25% climate-focused goal in IFAD11. IFAD's continued and deepening focus on climate is critical. Together we must work to ensure that a higher proportion of global climate finance reaches small-scale farmers given the role that agriculture and food systems must play in addressing climate change and the impact of climate change on small-scale farmers. This is why Canada has provided over \$340 million in climate finance loans to IFAD since 2020.

Diversity and inclusion is central to achieving impact

Women and girls are powerful agents of change across the food system and greater inclusion is the central innovation required to improve food security, advance economic development, and mitigate the effects of climate change.

For the past five years, Canada's investments in development have been guided by our Feminist International Assistance Policy. We have adopted a feminist lens because we believe that promoting gender equality and empowering women and girls is not only a fundamental human right, but is also the most effective approach to reduce poverty and build a more sustainable, more inclusive and more just world. The policy recognizes and seeks to address the structural barriers and social norms that limit women's success in agriculture and food production. Using gender transformative approaches in food systems will help address the underlying causes of gender inequality and promote shared power, control of resources and decision-making. Closing the gender gap across our food systems would generate significant gains, not only for women, but also for their households and communities. IFAD's focus in this area has been strong, and can be stronger still.

Canada welcomes IFAD's Strategy on Diversity, Equity, and Inclusion and looks forward to learning more about IFAD's implementation plans. We also call on IFAD to increase the adoption of gender-responsive, environmentally sustainable and adaptive technologies by vulnerable groups and we applaud IFAD's increased focus on gender transformative approaches.

To double its impact, IFAD must continue to crowd-in resources

With total pledges to IFAD12 amounting to US\$1.2 billion, with additional pledges expected, it is clear that Member States are committed to working with IFAD to deliver results. However, to achieve its ambitions, IFAD must work with a wide-range of partners and deepen its relationships with other International Financial Institutions and, critically, with the private sector. Canada's Feminist International Assistance Policy underscores the fundamental role that the private sector can play in driving innovation, productivity and inclusive economic growth. Yet only 6% of private finance mobilized by Official Development Assistance is invested in LDCs and agriculture is far from the top of the list of sectors where this private finance is concentrated. We encourage IFAD to continue to examine how it can enhance its catalytic role in mobilizing more private sector finance and to explore collaborations focused on carbon pricing and carbon markets.

Despite the significant challenge of recovering from the affects of Covid-19 in a climate crisis, Canada believes that IFAD can play an important role in making 2022 a year of hope for many rural communities and smallholder farmers. The ambitious goal to double impact by 2030 is set, and the reforms, programming and internal systems to get there are in place. Now, IFAD must focus on delivery and implementation. To be successful, it must continue its focus on climate, diversity and inclusion and innovative finance. Canada will continue to be a strong supporter of all of these priorities.