

Joint Statement of the Governors of France and Germany

46th session of IFAD Governing Council (February 2023)

Mr President,

Distinguished Governors,

IFAD Delegates,

Ladies and Gentlemen,

On the occasion of the 60th anniversary of the Elysée Treaty, which defines the framework for cooperation between Germany and France, we would like to make a joint statement for this Governing Council. It is an opportunity for us to underline our full support for IFAD and to present our common priorities for the coming years.

We very much welcome and support Ukraine becoming a member of IFAD and call on the Council to approve this application, so as to enable IFAD to contribute to the recovery of Ukrainian agriculture. And we also believe that Ukraine can bring its know-how into IFAD. Unfortunately, this process has to take place at a time when Ukraine, the lives of its people, its infrastructure and its territorial integrity are under constant attack by Russia. We reaffirm our strongest condemnation of Russia's war of aggression against Ukraine and will continue to stand by Ukraine in all possible areas – political, military, economic, financial, humanitarian, social and cultural.

In a context where poor rural communities and small-scale rural producers are exposed to multiple crisis factors, such as the Covid-19 pandemic, the impact of Russia's aggression, accelerating climate change and commodity price inflation, it is critically important to transform global agricultural food systems in a sustainable and resilient manner with a view to enhancing food security and combating malnutrition.

According to the United Nations, more than 800 million people will suffer food insecurity in 2023 and more than 300 million people are facing acute hunger. With 75% of the affected people and groups living in rural areas of developing countries, particularly in Africa, IFAD's specific mandate and effectiveness make it the most appropriate organisation to respond to these many challenges. Indeed, IFAD's reach into remote rural areas, the so-called 'last mile', makes it one of the few institutions capable of preventing the situation on the ground from getting any worse. In addition, IFAD's mainstreaming approach to climate, gender, nutrition and youth ensures long-term sustainable development, delivering on the promise of the SDGs and 'building back better'.

Despite difficult circumstances, IFAD continued, during its 12th replenishment cycle, to carry out an ambitious agenda both in terms of cross-cutting priorities such as climate and in terms of strengthening support to the poorest and most fragile countries. At the same time, IFAD has demonstrated its key role within the international community by participating in several multilateral initiatives, in particular supporting the United Nations Secretary-General's Global Crisis Response Group; the Global Alliance for Food Security, which is a coordinated and mutually supportive response set up by the German presidency of the G7 and the World Bank; the International Financial Institutions' Action Plan; and the Food and Agricultural Resilience Mission (or FARM), which was launched during the French presidency of the European Union. These initiatives are complementary and share a common objective: to

increase sustainable local agricultural production in vulnerable countries, particularly in Africa, in order to build long-term food independence. IFAD thus plays a leading role in strengthening international support for the transformation of agricultural and food systems, and enables the consolidation of fragmented efforts around Sustainable Development Goal 2. Working closely with countries to support their National Pathway for transforming their agricultural and food systems, as agreed at the UN Food Systems Summit, will be essential.

We trust IFAD to carefully and prudently monitor its liquidity and financial viability, and to mitigate risks and cost factors, so that IFAD is able to fulfil its mandate efficiently and effectively in support of those who need it most.

Under IFAD13, our two governments will continue to support IFAD's ambition on climate and environmental issues as well as on gender. COP27 again demonstrated the crucial role it can play as an assembler of climate finance, particularly for adaptation. To consolidate this role, IFAD must commit in the medium term to aligning all its operations with the Paris Agreement and must therefore raise its climate financing target for IFAD13. This also implies strengthening the link between climate, biodiversity and development in its actions. Indeed, as the current crisis shows, rural development must be promoted in harmony with climate issues and anchored in nature-based solutions, such as agro-ecology. IFAD can build on early successes in this regard, in particular its participation in the Great Green Wall initiative. This also means that IFAD will need to mobilize more resources from a wider range of sources – which the reform of the borrowing framework has made possible – while avoiding financial risks or inappropriate innovations that could lead to mission drift and undermine its added value within the UN system. Indeed, IFAD must remain focused on supporting the poorest countries worldwide, particularly in sub-Saharan Africa and also in areas affected by high fragility like the Sahel, in order to continue to fulfil its unique mandate. Empowering women and youth will be vital to all these endeavours. They are key actors for achieving the SDGs and sustainable development.

We urge all Member States to mobilize by committing an ambitious contribution to IFAD13, so as to enable the institution to meet its objectives by strengthening its core resources, be able to act in a counter-cyclical manner and provide the necessary resources to the countries that need them the most. Ensuring efficient budget management will remain critical and our two governments will always support IFAD in this regard. We call on IFAD to help countries build back better – in terms of economic, social and environmental sustainability.

Our two governments wish you an excellent 46th session of the Governing Council: we look forward to working with you throughout the coming year and to reaffirming our ambitious goal of eradicating rural poverty and hunger through multilateral cooperation.