Denmark and IFAD share the same ambition to fight poverty and hunger around the world and ensure climate adaptation and mitigation. IFAD focuses on empowering rural populations, who account for 80 per cent of the world’s poorest people, to reduce poverty, increase food security, improve nutrition and strengthen resilience. In 2021, the Quality of Official Development Assistance Report (QuODA 2021) ranked IFAD as the most effective multilateral organization in delivering impactful long-term support to fragile states. IFAD’s recent impact assessments demonstrated that every US$1 billion of investment in IFAD’s programme of work has increased the incomes of 8.6 million people by at least 20 per cent.

Denmark and IFAD are combining their efforts to build prosperous and flourishing rural economies with resilient, climate-adapted, sustainable and inclusive livelihoods. Denmark’s development priorities and IFAD’s mandate are strongly aligned, with a specific focus on climate adaptation, work in countries with fragile situations, youth employment and gender equality.

Since IFAD was established in 1977, Denmark has provided more than US$150 million in core contributions and US$90 million in supplementary funds, placing itself among the top three donors of supplementary funds. Additionally, Denmark has been actively engaged with IFAD to provide strategic expertise and guidance in areas such as climate finance, decentralization, green value chains, and sustainable and climate-smart agricultural production.

IFAD continues to seek strong partners to champion the development of rural communities. IFAD works in close collaboration with the Danish Ministry of Foreign Affairs for the cofinancing of IFAD’s Enhanced Adaptation for Smallholder Agriculture Programme (ASAP+) and projects in Bangladesh, Mali and Uganda.
TACKLING POVERTY AND HUNGER IN COUNTRIES WITH FRAGILE SITUATIONS

Denmark is an essential ally of IFAD in the Sahel region, where climate change, poverty and hunger remain great challenges to address. IFAD has 27 ongoing projects, which amount to US$2 billion in investments, across the 10 countries of the region. In 2020, to respond to the challenges of the COVID-19 pandemic, conflicts and climate change, IFAD, the Food and Agriculture Organization of the United Nations (FAO) and the World Food Programme (WFP) launched the Joint Programme for the Sahel (SD3C). In Niger, for instance, this ambitious project has so far allowed the rehabilitation of more than 10 hectares of land and 300 hectares of fixed dunes to protect the soil and counteract land degradation due to climate change.

In support of countries in the Sahel region, Denmark has contributed US$20.6 million to IFAD’s Inclusive Finance in Agricultural Value Chain Project (INCLUSIF) project to improve financial inclusion for smallholders and small and medium-sized agrifood enterprises in Mali. This project is expected to directly reach 440,000 people from disadvantaged groups, rural family farms, professional organizations (cooperatives, unions and federations) and private-sector agricultural enterprises. INCLUSIF integrates climate considerations into interventions that promote sustainable agricultural transformation in rural areas. Indeed, the project provides more than 40,000 smallholder producers with access to financing for climate change adaptation that will support them in evaluating their exposure to climate risks and managing such risks.

MAINSTREAMING CLIMATE CHANGE AND BUILDING RESILIENCE

One of the main priorities set by the Danish government is the fight against climate change through greater investment and a sharper focus on climate adaptation and the protection of nature and biodiversity.

With a contribution of US$29 million, Denmark is one of the largest donors to the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+), which will strengthen the resilience of 40 million rural households. This contribution is part of Denmark’s Programme of Climate Change, Conflict, Displacement and Irregular Migration in the Sahel 2021-2024 (CCDMP). This programme aims to strengthen the resilience of vulnerable populations to the impacts of climate change by building their adaptive capacities.

FOSTERING YOUTH EMPLOYMENT AND SOCIAL INCLUSION

Our world is home to 1.2 billion young people between the ages of 15 and 24, and the youth population is growing fastest in the poorest nations. Governments around the world are struggling to provide young people with jobs and opportunities that will safeguard their future. IFAD’s collaboration with the Danish government aims to address major challenges caused by rural youth unemployment.

In Bangladesh, for instance, Denmark provides financing for the Rural Microenterprise Transformation Project, which has a strong focus on youth. The project invests in young people by offering them tailored business management training, granting larger loans to young microentrepreneurs and developing the use of advanced technologies.