
Opening statement by President Alvaro Lario

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Excellencies,

Distinguished guests,

Welcome to the 146th session of IFAD's Executive Board.

Let me start by extending a special welcome to the newly accredited representative to our Executive Board for Brazil, Ms Lívia Batista MACIEL BRAGA.

I would also like to welcome the Ambassadors and representatives that are participating in the IFAD Executive Board for the first time.

I would also like to acknowledge some changes in the List Convenorship – following consultations within the Lists, Ms Tika WIHANASARI of Indonesia has taken on the role of List B Convenor, and Ms Lorena ALVARADO QUEZADA of Mexico that of sub-List C3 Convenor.

Welcome also to our silent observers from the Rome-based agencies, the European Union, the representatives from the steering committee of the Indigenous Peoples' Forum at IFAD, and all other delegates who are following our proceedings remotely or from the salle d'écoute.

Dear colleagues,

We are all aware of the global context and the challenges to growth and stability.

IFAD has a central role to play in meeting these challenges head-on - because rural development not only drives economic growth, better nutrition and poverty reduction, it also fosters peace and stability. And IFAD delivers. Independent evaluations continue to recognize IFAD as one of the most effective and efficient multilateral organizations.

This recognition is important in a year where key discussions regarding the future for multilateralism and international cooperation have been at the forefront. The Seville Commitment recognized the vital role of international financial institutions in augmenting the value shareholder and member contributions, and we will continue to work with IFIs, MDBs, and the UN community to bridge financing gaps and deliver results for development.

At recent United Nations leadership meetings, IFAD made its voice heard and contributed to ongoing UN80 reforms aimed at strengthening coherence and delivery of the United Nations System at country level. These developments underscore the need for institutions like ours to remain efficient, agile, and firmly grounded in our mandate.

Ladies and gentlemen,

For almost 50 years, IFAD has proved remarkably effective at leveraging its balance sheet and its expertise to reduce poverty through carefully targeted investments in rural areas – strengthening rural economies and improving the lives of tens of millions of women and men.

IFAD's risk-adjusted capital ratio of over 133 per cent places us among the strongest institutions in our peer group in terms of capitalization. This strength is possible because of the unwavering support of Member States, and your contribution to the replenishment of IFAD's core funds.

Our ability to assemble funds, coordinate partners, derisk investments, and address root causes of hardship mirrors the priorities of our Member States and helps their investments go further. For every dollar contributed by you – our Member States - IFAD delivers six dollars of investment on the ground. This proven leveraging power and operational credibility were highlighted at the World Bank Annual Meetings in October, where IFAD was invited to join the launch of AgriConnect as a partner of choice. I was proud to announce IFAD's pledge to reach at least 70 million small-scale food producers and their families by 2030.

And to continue to deliver, we depend on your continued support. This week we will hold the Replenishment Pre-consultations and - in 2026, we will be holding the Consultation on the Fourteenth Replenishment of IFAD's Resources and discussions to chart the course of our investments and work from 2028 to 2030.

This brings me to today's thematic discussion, which offers an opportunity to reflect on how we balance depth with outreach. This goes to the heart of IFAD's mission and the choices we make every day.

Impact assessments conducted over the past decade show that IFAD's approach investment results in deep and meaningful transformation, even in the most remote and under-served communities. Across a sample of projects, participants saw income rise by 34 per cent, while production and market access increased by 35 per cent. These are not just numbers. They represent families with more food on the table, communities with greater stability, and young people with hope for the future.

Impact is not automatic. Today's discussion will explore both constraints and drivers of strong results. A key lesson is to be strategic and bundle interventions—combining infrastructure, finance, technology, and capacity-building to create synergies no single action can achieve.

Another lesson is to invest early in country knowledge and contextual analysis. These guide programme design, ensuring solutions fit local realities. Without this foundation, scale risks being uneven and depth shallow.

Private sector engagement is another key determinant of success. Assessments show that projects that systematically engaged the private sector achieved, on average, four times higher impact than those that did not.

This is why we are committed to being more strategic in our private sector engagement. We will focus on de-risking agribusiness investments and supporting the key value chains that can unlock rural transformation in the countries where we operate. By doing so, we create investment opportunities that attract partners and multiply our impact, while benefiting rural economies.

Balancing scale and depth is not about choosing one over the other. It is about designing pathways that combine both. It is about reaching more people while ensuring that the change we deliver is transformative and lasting.

Ladies and gentlemen,

Let me also reaffirm that IFAD operates with the utmost diligence in complex contexts, upholding strict standards of fiduciary oversight, accountability and risk management and ensuring our investments remain focused on the rural people we serve.

The operational pipeline for IFAD13 is well under way, with around one third of resources expected to be approved by the close of 2025, and 95 per cent of total resources already programmed for the three-year cycle.

And we aim to accelerate and maximize efficiency, with the guidance and support of our Board. Because this is a journey we are on together.

This year, IFAD launched the Operational Agility Initiative to guide IFAD's evolution into a more fit-for-purpose institution. We are currently revising the way we design projects to improve operational effectiveness, strengthen delivery, accelerate impact and better respond to country demands. This is just one area in an initiative that spans operational effectiveness, results-based management and workforce planning. These efforts will ensure IFAD remains efficient and agile, without losing sight of our mission.

We are also optimizing our capital to deliver better, faster, and with greater impact. Two weeks ago, Standard & Poor's upgraded IFAD's AA+ outlook from stable to positive due to IFAD's strengthening of its governance, diversification of its funding sources, and improvement of its capital-management policies. IFAD's strong AA+ credit rating is underpinned by a unique mandate and by its recurrent capital replenishments. This is a

strong vote of confidence in IFAD's ability to deliver impact at scale and a recognition of the progress we have made.

Budget utilization for 2025 is projected at above 99 per cent, showing that our estimates are increasingly accurate. And in 2026, IFAD will increase impact-oriented resource allocation and transparency to maximize delivery. Our approach provides a clear line of sight from resources to results.

By transforming how we budget, and by introducing integrated, agile workforce planning, IFAD can remain a safe, reliable steward of funds, well placed to respond to the challenges ahead and achieve greater impact on the ground.

Distinguished Board Members,

As we move toward the fourteenth replenishment, our focus on IFAD's mandate and results will sharpen. Transforming rural economies is the best way to get to the root of instability and to lay the foundation of lasting peace and resilience.

Last month's COP30 meeting underscored the importance of building resilience and tripling finance for climate adaptation. At IFAD, we know that investing in adaptation is also a strategic investment in prosperity and social stability for rural communities and their countries and regions.

The Climate, Environment and Biodiversity Strategy that you will be considering recognizes the need for an integrated approach to overcome some of the greatest threats to farmers, food production and rural livelihoods the world over. We will help farmers adopt practices that protect soils, conserve water, and withstand shocks while at the same time prioritize sustainable production methods. These steps are transformative. They protect the environment, strengthen food security and create decent jobs.

Our approach will continue to connect rural entrepreneurs to investments, knowledge and essential resources. By doing so, we create pathways out of poverty and build inclusive economies. Every partnership we forge, every dollar we leverage, and every project we deliver will contribute to a safer, more stable world.

We know that the challenges ahead are significant, but so is the opportunity. The upcoming IFAD14 replenishment is an opportunity to do even more and reach even more people. The investments you make through IFAD pay out a double dividend of feeding families and boosting rural economies.

Together, we can derisk investments, unlock financing and turn ambition into action. IFAD stands ready to lead this effort with accountability, transparency, and impact. Let us seize this moment to deliver results that matter – for rural communities, for global stability and for future generations.

Thank you for your attention.