Distribution: Restricted EB 2002/75/INF.9 22 April 2002

Original: English English



IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board - Seventy-Fifth Session

Rome, 22-23 April 2002

INFORMATION NOTE ON IFAD'S PREPARATION FOR AND PARTICIPATION IN MAJOR INTERNATIONAL CONFERENCES: FINANCING FOR DEVELOPMENT; WORLD FOOD SUMMIT: FIVE YEARS LATER; AND WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

I. UNITED NATIONS INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT

A. Background

- 1. The United Nations International Conference on Financing for Development (ICFfD), held in Monterrey, Mexico, from 18 to 22 March 2002, addressed the challenges of financing for development (FfD) by bringing different components of the international economic, financial and trading system together in the Monterrey Consensus. With the Consensus, the international community reached agreement on the major building blocks of a more coherent and holistic global system by recognizing the interconnectedness of national, international and systemic challenges of FfD in this era of interdependence and globalization. The eradication of poverty, the achievement of sustained economic growth and the promotion of sustainable development have been identified as the fundamental goals of this effort. The Consensus also recognized the urgent need for mobilizing national and international resources and increasing the effective use of existing resources for the achievement of the internationally agreed development goals, including those contained in the Millennium Declaration. Several donor countries used the occasion of ICFfD to announce increases in official development assistance (ODA) commitments. The European Union decided to boost its ODA to 0.39% of income by 2006, while the United States announced that it would increase ODA by USD 5 billion within three years.
- 2. IFAD has closely followed the FfD process from its conception and was actively engaged in the proceedings at the critical juncture when negotiations of the outcome document commenced in 2001. IFAD's involvement in the process was guided by the combined objectives of ensuring that resource mobilization for rural development received balanced attention throughout the FfD process, and



promoting concrete proposals and strategies for reversing the overall declines in resources for rural and agricultural development.

3. During debate at the ICFfD Summit Segment, a significant number of delegations from developed and developing countries alike recognized the relevance of agricultural and rural development for poverty reduction. One fifth of all delegations referred to agriculture and the specific needs of rural areas in their statements. Several countries highlighted particular aspects of rural development, including the problems faced by smallholder farmers, the need for infrastructure development and market access, women's role in agriculture and the importance of access to and ownership of land for poor people.

B. IFAD's Engagement in the Preparatory Intergovernmental Process

- 4. The three Rome-based United Nations agencies IFAD, the Food and Agriculture Organization of the United Nations (FAO) and the World Food Programme (WFP) pursued a joint approach towards FfD at the intergovernmental level, bearing in mind the complementary of mandate and similarity of objectives and thematic focus. The collaboration of the three agencies extended from the third and fourth sessions of the FfD Preparatory Committee (PrepCom) to ICFfD itself.
 - Third session of the PrepCom, 15-19 October 2001. The President of IFAD delivered a joint statement on behalf of IFAD, FAO and WFP during the session, highlighting the need for mobilizing resources and providing financial, technical and food assistance in the fight against hunger and rural poverty. The President of IFAD also discussed the institution's approach towards FfD in greater detail with the FfD Bureau members in a private meeting. In addition, IFAD, FAO and WFP jointly prepared and widely circulated their comments on the first draft of the outcome document, later called the Monterrey Consensus.
 - Fourth session of the PrepCom, 14-25 January 2002: The Deputy Executive Director of WFP addressed the session on behalf of the three Rome-based United Nations agencies, sharing with delegations the jointly prepared comments on the second draft of the outcome document. Representatives of the three agencies also engaged in a coordinated and sustained outreach effort with a view to building support among member states for inclusion of pro-rural poor language in the outcome document.

C. IFAD's Involvement in the Conference

- 5. IFAD's participation in ICFfD was based on the principle that through continuous and sustained engagement in multilateral processes, IFAD can contribute to redirecting resources towards rural development and agriculture. The Monterrey Consensus requires follow-up actions, and institutional stakeholders and other participants need to ensure that the commitments contained in the document are indeed realized on the ground.
- 6. A two-pronged approach marked IFAD's engagement in ICFfD. On the one hand, IFAD, FAO and WFP continued to participate jointly in a number of activities in areas where a coherence of message of the three Rome-based agencies has proven to be an effective strategy in the preparatory process. On the other hand, IFAD also pursued separate and individual activities to highlight IFAD-specific aspects of FfD, particularly as it affects the rural poor.



(a) Joint activities of the three Rome-based agencies included the following:

- A joint press conference was scheduled for the opening day of ICFfD. The President of IFAD, the Deputy Executive Director of WFP and the Assistant Director-General of FAO were in attendance and met the press to which they made available a joint press release they had prepared in advance.
- A side event on the topic of "Reducing Poverty and Hunger: The critical role of financing for rural development, food and agriculture", jointly organized by IFAD, FAO and WFP and co-sponsored by the three agencies and the World Bank, took place on the second day of the conference. Participants in the event chaired by the Treasurer of Mexico, included the Finance Minister of Mozambique, an Under-Secretary of State of the United States and representatives of academia, the science community and civil society. The President of IFAD, Deputy Executive Director of WFP and Assistant Director-General of FAO were actively engaged in the debate following the presentations.
- As a background note for the side event, the three agencies prepared an analytical report on the subject of "Reducing Poverty and Hunger: The critical role of financing for food, agriculture and rural development". The report concludes that the eradication of poverty and hunger is within the capacity of the global society provided that the political will for acting on those objectives can be mobilized. Agriculture and rural development are identified as key dimensions for achieving overall economic growth and poverty reduction for most developing countries, given that the majority of the poor live in rural areas and depend for their livelihoods on agriculture and the rural economy.

(b) IFAD-specific activities were the following:

- Participation in the general debate of the ministerial segment: The President of IFAD delivered a statement in the general debate of the ministerial segment. His statement focused on the need to increase ODA resources for rural poverty eradication and in support of the productive activities of the poor.
- Participation in round tables: The President participated in both ministerial and summit-level round tables organized as part of the official ICFfD programme. The discussions centred on the topics of "Coherence in Development" and "International Conference on Financing for Development: Looking Ahead" respectively. The President actively engaged in the round-table dialogues by highlighting that national development efforts need to be supported by international action and resources, including ODA.
- Bilateral meetings: The President used the occasion to hold bilateral meetings with a number of government representatives, including the President of Venezuela, the United States Secretary of the Treasury, several European Union Ministers, members of the Organization of the Petroleum Exporting Countries (OPEC) and representatives from major developing countries.
- Media: A tour to an IFAD-supported project located near Monterrey was
 organized for journalists to provide them with a view of the practical and concrete
 dimension of financing for rural development. In addition, the President of IFAD
 gave about 25 interviews to members of the print media, radio and television
 services.

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- Exhibit: IFAD participated in an exhibit to display and distribute publications and other IFAD information material to delegations and the press.
- Publication: A revision of the paper entitled "Financing Development: The rural dimension", which had been prepared for the discussion on the same subject at the Twenty-Fifth Session of the Governing Council, was made available to delegations at ICFfD and served as an additional input to the IFAD/FAO/WFP-organized side event on "Reducing Poverty and Hunger" mentioned earlier.

II. WORLD FOOD SUMMIT: FIVE YEARS LATER

7. At the Seventy-Second Session of the Executive Board in April 2001, Board Directors recommended that IFAD play a proactive role in preparing for the World Food Summit: Five Years Later (WFS:fyl) in response to the information provided in document EB 2001/72/R.32 on action taken by IFAD to follow up on the recommendations of the 1996 World Food Summit. The present report updates the information contained in that document and describes activities undertaken or planned in the follow-up to WFS:fyl.

A. Background

- 8. At the World Food Summit held in November 1996, world leaders meeting in Rome committed themselves to halving, by the year 2015, the number of undernourished people in the developing world. To that end, the Summit endorsed seven commitments setting out how, and by whom, policies and actions aimed at sustaining poverty alleviation and assuring food security might be achieved. While an emphasis on working with local, often physically remote, communities has been a feature of IFAD's lending activities, recent experience has also confirmed that the scope of IFAD operations must include working with governments at the national level to ensure that policies and programmes are fully consistent with activities being planned and implemented at the community level.
- 9. The Rome-based United Nations agencies recently collaborated to produce "System-Wide Guidance on Household Food Security and Nutrition", a document that underlines fundamental points of common understanding on household food security: "Although there have been a variety of definitions used in the last decade as the concept developed, there are no serious underlying contradictions. Households are considered food secure when they have year-round access to the amount and variety of safe foods their members need to lead active and healthy lives. Thus, household food security has three key dimensions: the availability of food, access to food, and utilization of food."
- 10. IFAD projects typically address more than one of these key dimensions. Even when projects do not intentionally address household food security, they often create consequences for food security at the household level, whether positive or negative. Nutrition status is broadly determined by three factors: food security, health and caring practices.
- 11. The natural focus of IFAD projects tends to be on the security factor. However, in project areas where primary health systems are severely constrained and communities prioritize improvements in these services, IFAD projects retain the flexibility to address such needs and priorities.
- 12. Five years later, however, the indications are that the number of undernourished people is falling at the rate of only 8 million people each year, or less than half the average rate of 20 million per year needed to reach the 2015 target. Moreover, with three quarters of the world's poor located in the rural areas of developing countries, much greater emphasis will need to be placed on rural development and, in particular, on stimulating growth in the agricultural sector.



13. In view of the foregoing, the FAO Conference recommended at its November 2000 session that a 'Five Years Later' follow-up meeting be held in order to consider measures for achieving more rapid progress in meeting the World Food Summit's target to reduce by half the number of undernourished people in the developing world. At the proposed summit to be held in Rome, Italy, on 10-13 June 2002, world leaders will be requested to outline the measures needed to achieve the target, and to make suggestions on how to accelerate progress. They are also expected to consider how to increase the resources available for agricultural and rural development.

B. Recent IFAD Activities

- 14. In preparing for WFS:fyl, IFAD has held a series of informal discussions and meetings with FAO officials and provided general comments on the two main papers prepared for WFS:fyl by FAO and discussed at the Committee on World Food Security (CFS) held in May 2001 "Mobilizing Resources to Fight Hunger" and "Fostering the Political Will to Fight Hunger". In addition, the Vicepresident of IFAD delivered a statement to CFS on the subject of the Fund's *Rural Poverty Report* 2001 and the challenge of ending rural poverty.
- 15. IFAD chaired the two-day high-level panel on resource mobilization, convened by FAO in June 2001 and attended by representatives of regional development banks, multilateral institutions and international financial institutions. The goal of the panel was to:
 - strengthen the resolve of participating institutions to ensure adequate multilateral resource flows for hunger and poverty reduction, giving priority to agricultural and rural development and to the broadening of access to food to ensure that the goals of the World Food Summit are achieved:
 - identify ways of increasing the amounts and improving the terms and conditions under which multilateral resources are made available to low-income countries, especially for agricultural and rural development and poverty-alleviation programmes, including those for hunger reduction, and ensure that committed countries do not once again burden themselves with unserviceable debt; and
 - examine ways and means of financing the provision of transboundary and global public goods to guarantee safe and sufficient worldwide food supplies and sustainable management of land and water resources.
- 16. The panel agreed that the chances of success would be increased through improved operational efficiency and strengthened partnerships among the institutions involved. Closer partnerships would promote a common understanding of the links between food security, agriculture and economic development and of the ways in which improved investment in agriculture and rural development can contribute to the achievement of the Summit's goals. An adequate supply of pertinent global public goods was needed to create and maintain an environment that would allow for maximum impact of international lending to agriculture and rural development.
- 17. While the Summit's Plan of Action places the responsibility for ensuring food security on the governments themselves, both civil society and the private sector have an important role to play. In light of this, IFAD is also preparing for its participation in the Non-Governmental Organization (NGO) Forum and the Multi-Stakeholder Dialogue to be held at the time of WFS:fyl.
- 18. IFAD is in close contact with the WFS:fyl organizers and is exploring avenues for joint activities with FAO and other agencies. In addition to delivering statements to the plenary, IFAD will actively participate in the round-table discussions and the general debate. The Summit will also be an opportunity for the President of IFAD to meet with the heads of delegations and government representatives.



- 19. On the public information side, IFAD will have its own exhibit stand to display and distribute publications and other information material to delegations and the press. In addition, a press kit containing topical fact sheets has been prepared in all the IFAD official languages and in Chinese. The kit will be included in the joint WFS:fyl press material.
- 20. On the initiative of IFAD, the three Rome-based agencies prepared for general distribution city maps of Rome, which include information on the three agencies. IFAD also negotiated with the *Aeroporti di Roma* to have eight large billboards displayed at the terminal, free of charge, for one year. The billboards serve as visual pictorial displays of the presence in Rome of the three United Nations agencies supported by the Government of Italy.
- 21. IFAD took part in the Fifth Annual Meeting of the Food Insecurity and Vulnerability Information and Mapping System (FIVIMS) Inter-Agency Working Group (IAWG). WFS:fyl will provide an opportunity for Member States and agencies to reaffirm their commitment to the FIVIMS initiative and to increase efforts in this regard so as to transmit the benefits of improved information rapidly to decision-makers at all levels.

III. WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT

A. Background

- 22. At its fifty-fifth session, the United Nations General Assembly agreed to organize the ten-year review of progress in the implementation of United Nations Conference on Environment and Development (UNCED) as the World Summit on Sustainable Development (WSSD). The Summit will be hosted by South Africa in Johannesburg from 26 August to 4 September 2002. IFAD, like other international organizations, was invited to participate fully in the ten-year review in order to reflect its "experiences and lessons learned as well as to provide ideas and proposals for the way forward for further implementation of Agenda 21 in relevant areas."
- 23. IFAD's experience illustrates that a key to successful poverty alleviation is enabling rural poor people to have access to natural resources and to the technologies to use these resources productively and sustainably. Some 75% of the world's poor live in rural areas and make their living largely through the land on which they live. Their enterprises and households collectively account for much of the land, water and labour engaged in agricultural production. They play a critical role in managing and conserving the world's natural resources. Indeed, the *Strategic Framework for IFAD 2002-2006* recognizes that "improving equitable access to productive natural resources and technology" is crucial to poverty alleviation.
- 24. The 1992 UNCED Conference in Rio de Janeiro was a landmark event to secure economic, social and environmental well-being for present and future generations. With the adoption of Agenda 21, the Rio Declaration on Environment and Development and the UNCED-related conventions, world leaders defined a clear project for sustainable development. The agenda established at the Rio Summit was a well-balanced vision of sustainable development, i.e. it integrated people's economic and social needs with respect to the earth's resources and its ability to regenerate itself. It was regarded as a powerful, long-term vision.
- 25. Nonetheless, ten years later, despite initiatives by governments, international organizations, business, civil-society groups and individuals to achieve sustainable development, progress towards the goals established at the Rio Summit has been slower than anticipated, and in some cases conditions are worse then they were ten years ago.

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- 26. Thus, the goal of the WSSD is to conduct a review of Agenda 21 and its implementation, with one of the key outputs being a "concise and focused document that emphasizes the need for a global partnership and integrated and strategically focused approach to the implementation of Agenda 21, addresses the main challenges and opportunities faced by the international community, and reinvigorates at the highest level, global commitment to a North-South partnership, a higher level of international solidarity, accelerated implementation of Agenda 21 and promotion of sustainable development."
- 27. Hence, the WSSD is expected to reaffirm the goal of sustainable development in terms that can command broad understanding and support. It is also intended to articulate the importance of partnerships among countries and between governments and civil society.

B. Global preparations for the Summit

- 28. Global preparations for WSSD are taking place under the United Nations Commission on Sustainable Development (CSD), which meets annually to monitor and follow up on the Earth Summit agreements. WSSD PrepCom sessions began in April/May 2001 and will continue into 2002, with:
 - PrepCom-II: 28 January to 8 February 2002 at the United Nations headquarters in New York;
 - PrepCom-III: 25 March to 5 April 2002 at the United Nations headquarters in New York;
 - PrepCom-IV and final meeting: 27 May to 7 June 2002, in Bali, Indonesia.

The issues to be discussed at the WSSD have been clustered under the following key topics:

- poverty eradication;
- unsustainable patterns of consumption and production;
- sustainable management of natural resources; and
- the underpinning needed to make globalization work to promote sustainable development.

For each broad topic, there are several dozen recommendations for immediate action. WSSD is expected to result in three outcome documents:

- a political declaration that expresses new commitments and directions for implementing sustainable development;
- a negotiated programme of action that will guide government implementation; and
- a non-negotiated compilation of new commitments and partnership initiatives for specific actions.

C. IFAD's Involvement in the Summit

- 29. IFAD has followed the WSSD process from its inception and has been actively engaged in the preparatory discussions at various critical junctures, including during PrepCom sessions when the outcome documents are being discussed.
- 30. IFAD's involvement in the process should be viewed within the context of declining ODA in support of agriculture and rural development programmes and is guided by the combined objectives of sharing its knowledge and experience in mainstreaming Agenda 21, and exchanging information on new ways of achieving sustainable development so as to improve the resource rights of the rural poor. The Fund's advocacy role will make a case in favour of redirecting and/or increasing the share of committable resources to sustainable agriculture, rural development and food security over the



coming decade. IFAD will also urge that agriculture and rural development receive balanced attention throughout the WSSD process.

- 31. The President will lead the IFAD delegation to the WSSD and will participate in the high-level segments and in side events planned around the Summit.
- 32. In preparation for the Summit, a WSSD working group was formed earlier this year, chaired by the Assistant President for Economic Policy and Resource Strategy Department, and composed of representatives from various departments. The working group chair reports to the President on a regular basis.
- 33. IFAD participated and played an active part in the WSSD sessions of PrepCom-II and PrepCom-III, both held at the United Nations headquarters in New York earlier this year. The sessions provided an opportunity for IFAD to meet informally with various delegations and major groups to present its views. These contacts were also useful in that they helped gauge countries' and groups' views regarding specific issues.
- 34. During PrepCom-II, the Vice-President of IFAD delivered an address to the WSSD plenary on behalf of the President. The Vice-President also joined an IFAD co-sponsored panel discussion on "Rural Matters". Other participants included the Consultative Group on International Agricultural Research (CGIAR), FAO, the World Bank and an NGO representative. The side event was well attended.
- 35. IFAD's engagement in WSSD is being pursued jointly and in coordination with other United Nations Rome-based agencies. In this respect, and prior to each WSSD PrepCom session, IFAD participated in a coordination meeting to exchange views on the agencies' planned activities leading up to the WSSD. These meetings were followed by post-mortem discussions to review the outcomes of WSSD PrepCom sessions.
- 36. The Assistant President for Economic Policy and Resource Strategy led the IFAD delegation to PrepCom-III. During the visit, the IFAD delegation built on the momentum developed during the previous PrepCom session and took part in a number of parallel events including a day-long high-level round table organized by the Global Environment Facility (GEF) on Land, Water and Food Security. A number of bilateral meetings with heads of delegation attending the PrepCom were also conducted, including participation in plenary discussions and group meetings. The IFAD delegation also met with the Secretary General of WSSD to discuss IFAD's participation in the Summit.
- 37. IFAD is currently preparing, with other partners, its participation in the next WSSD PrepCom session, to be held in Indonesia. The Bali meeting is expected to bring the world closer to implementing an action-oriented agenda for sustainable development. It will be the last major opportunity before the WSSD for ministers to shape the political declaration that heads of state and high-level political leaders will adopt in Johannesburg.