

FONDS INTERNATIONAL DE DÉVELOPPEMENT AGRICOLE FONDO INTERNACIONAL DE DESARROLLO AGRÍCOLA IFAD الصندوق الدوليللتنمية الزراعية

TWENTY-FIFTH ANNIVERSARY SESSION OF THE GOVERNING COUNCIL

SUMMARY OF ROUND TABLE DISCUSSIONS PRESENTED BY MR KLEMENS VAN DE SAND, ASSISTANT PRESIDENT, PROJECT MANAGEMENT DEPARTMENT

The themes of the four round table discussions were derived from IFAD's strategic framework: market access, institutions, gender and indigenous people. The discussions showed clearly that the themes selected are all critical for reducing rural poverty and promoting broad-based and sustainable economic growth. That consensus was manifested in the enormous interest delegations showed in the round table sessions: they joined them in large numbers, and they participated actively and enthusiastically. The quality of inputs provided by the chairs and of the panellists was of a uniformly high standard, and set the scene for extremely lively and informed discussions.

As IFAD management, we feel that the purpose of these round tables has been clearly met: namely, to promote knowledge sharing and mutual learning, and to offer a real opportunity for delegates to provide their inputs into IFAD's strategy and activities. The recommendations are going to be of much value to IFAD as it strives to operationalize its strategic framework.

Transforming Rural Institutions in Order to Achieve the Millennium Development Goals (MDGs)

The rural poor, women and youth experience poverty as a lack of power to influence the rules of access to assets, inputs and markets, that tend to be biased against them. The rural poor also experience poverty as a lack of voice, as a lack of organizations that represent their interests either through direct membership or through representation. The transformation of rural institutions (organizations and rules of the game) for inclusiveness is a **necessity** in order to address key constraints on rural poverty reduction in a sustainable manner and enable the rural poor to seize opportunities.

The rural people must be perceived as economically active persons, as producers, who contribute to sustainable growth. Therefore, IFAD should focus on building organizations and transforming institutions around the economic needs of the poor. This implicitly relates to politics in the sense of democratization, which means changing the balance of power in favour of the poor. This concept of the interrelationship between growth and empowerment is fully in line with the human rights-based approach to development, which builds on the interdependence of civic, economic and social rights.

A number of conclusions and recommendations emerged:

- In order to create **local** employment and investment opportunities, the complementary services of government and private-sector agents must be promoted at the **regional** level because, in many countries, the municipalities may be able to provide social services but are too small to play a role as economic agents.
- IFAD should help in mobilizing the poor people to join the transformation process, and invest in their capacity to do so. But one should not be over-optimistic. Developing

Document: 313817 Library: DMS

- organizations of the poor requires considerable time. The process should not stop at the local level, but continue through networking, second-tier organizations and alliances, and influence national institutions and policies.
- IFAD should heavily draw on South-South experience-sharing and strengthen its capacity for generating and disseminating information.
- Of course, IFAD cannot do everything and focus is essential. IFAD would do better to focus on organizations of farmers, rural entrepreneurs, women and youth; and support them with capacity-building for change.
- Capacity-building is necessary not only for the poor and their organizations, but also for government and private-service providers.
- Institutional development, and IFAD support, is also critical in pre- and post-conflict situations, with differentiated approaches that take account of the state of government.
- The impact of investment projects needs to go beyond their immediate impact on people. Impact must be measured also in terms of progress to transform rural institutions in support of the poor.
- Poverty reduction strategy papers (PRSPs) provide a useful framework for pursuing the concern of institutional transformation in a truly participatory and country-owned manner, but we must get the PRSPs to work. Again, partnerships are essential.

Promoting Market Access for the Rural Poor in Order to Achieve the MDGs

Participants noted that governments of developing countries have liberalized their agricultural markets in the expectation that the private sector will step in to replace the operations of parastatal agencies. In practice, however, in many countries the private sector is extremely weak and the withdrawal of the state has led to a marketing vacuum, which has been to the benefit neither of poor farmers nor the national economy. It was questioned whether the liberalization of markets had not gone too far, and whether there was not in fact an appropriate role for the state to play in addressing market failure.

At the international level, too, commodity agreements that served to regulate trade and to balance supply and demand have been dismantled. There may be a need to revisit that question; in particular, it was suggested that for certain crops it may be appropriate to establish suppliers' agreements, which can regulate international supply and thereby influence prices.

There is an obvious link between weak market access and rural poverty in poorer countries. A participant from Burkina Faso explained how, in her country, lack of market access and consequent poverty in the rural areas leads inexorably not only to rural-urban migration but also to emigration to the developed world. In Bolivia, the importance was highlighted of providing free access to agricultural markets in order to provide economic alternatives to coca growers.

Enabling policies at the national level are crucial. In concrete terms, that means focusing on enabling poor farmers to increase their productivity; it requires adding value to farm produce through storage and processing; it involves supporting the emergence of local, informal traders, who can provide the link between producers and large-scale buyers and sellers; and, above all, it requires that new markets be identified at the national, regional and international levels. This may call for the establishment of new systems for production and processing so as to enhance product quality, or switching to certifiably organic production systems.

Much of the discussion focused on the question of international trade and in particular on the profoundly unjust situation resulting from, on the one hand, the array of production subsidies, tariff barriers and phyto-sanitary measures imposed by the developed world; and, on the other hand, the liberalization of agricultural markets by developing countries. Graphic examples were provided of the negative impact that this type of regime had had on the ability of poor producers in developing countries to access not only the markets of developed countries but also third-country markets and

even their own domestic markets. There was broad agreement that, given that subsidies in the north are not going to be removed, advocacy efforts should look for alternative solutions that allow developing countries to take steps to protect their own markets. Three possible avenues were identified: first, discussions with the International Monetary Fund/World Bank on the scope to selectively apply tariffs on imported agricultural products at rates approved by the World Trade Organization (WTO); second, discussions with WTO on the scope to increase approved rates on selected products; and third, WTO's 'special safeguard' clause to protect their agricultural markets.

A number of particular areas for IFAD to engage in were identified. First, there is need for IFAD to focus on promoting improved market access by poor farmers in all the development programmes and projects that it supports while ensuring that, where ever possible, market development efforts build on local knowledge and existing marketing systems. Second, IFAD should focus its programme activities on areas – both geographically and in terms of products – where private investment are already being made, and should seek to develop synergies with private-sector players. Third, to the extent that there may be a new role for governments to play in market development activities, IFAD should assist them to do so in a coherent and effective manner. Fourth, it should play an advocacy role on issues related to international trade, and seek to influence both the Bretton Woods institutions and WTO to ensure that their rules do not work against poor farmers.

Women as Agents of Change

It should be noted that the round table on Women as Agents of Change was attended by a significant number of men: approximately 35 out of 90 participants. A common sentiment was that the problems are not new: the real challenge is finding new solutions to old problems.

In relation to the MDGs, participants stressed that redressing gender imbalances and improving women's status were necessary prerequisites for achieving **all** the MDGs, but that to achieve them more would have to be done, and done differently. The MDGs are interrelated and mutually reinforcing. Implementation calls for coordination both at the national level and among donors. It was agreed that investments would need to be scaled up significantly but, above all, be better targeted and focused on rural areas where most of the poor live; and, in these areas, focus on the most marginalized groups such as women and indigenous peoples.

There was extensive discussion on the questions of culture and values, and participants agreed on the critical importance of culture change to allow substantial advancement in women's social and economic role in public decision-making. At all levels, and in the North as well as the South, there is a gap between policy and practice. Practice is determined by culture, of both individuals – women and men – and of institutions. Culture does change but it changes slowly, and – as one participant said – "we just don't have time". To accelerate culture change, policy-makers (and the media) have a critical role to play. Education, both formal and informal, of boys and girls from the early years was also highlighted as an essential instrument for overcoming gender stereotypes.

The title of the round table triggered off the reflection that women are often not allowed to play their role as agents of change because systems are run by men (*this point was made by a man*). It was agreed that efforts should be sustained and expanded to engage men as partners in women's empowerment, seeking complementarity rather than conflict.

IFAD has recently approved a Plan of Action for 2003-06 on 'Mainstreaming a Gender Perspective in IFAD's Operations' designed to systematize gender mainstreaming in its operational procedures and processes. The Plan of Action represents a minimum common framework in which the intention is to develop sector and country-specific approaches. The round table generated a number of valuable recommendations that reinforce the Plan of Action.

It was recommended that IFAD should:

- seek to influence the macro-level policy and economic framework, which is critical to the advancement of women ("There is no use if women gain space, if the house falls down.");
- act as a broker to link women's grass-roots movements and networks to the PRSP process;
- seek to promote application by governments of gender-screening instruments in policy and programme development and monitoring (similar to the Environmental Impact Assessments);
- squarely address the issue of culture change and develop more effective instruments for the purpose, learning from its own experience and that of others;
- create an enabling environment for women to exercise an agency role, particularly within the generally male-dominated institutions with which IFAD works (such as ministries of agriculture, forestry and finance);
- forge more effective partnerships with other international agencies both to ensure synergies and to complement typical IFAD interventions with social interventions, e.g. in education and reproductive health;
- generalize best practices, such as joint titling (for loans and land) and quotas for women's participation, as a way of influencing broader policy frameworks;
- use projects to 'educate and replicate', ensuring that projects do not remain just 'islands of excellence';
- facilitate a more collaborative relationship between government and non-governmental organizations/civil-society organizations; and
- in the context of its increasing emphasis on market access, pay special attention to rural women's access to such markets so that they are not as one participant observed, and I quote "doomed to just produce petty goods and ethnic curios in a corner of the world market."

Indigenous Peoples and Sustainable Development

Indigenous peoples constitute an important group of rural poor. Available estimates show that there are more than 300 million indigenous peoples in the world. These people live in more than 70 countries; the majority of them are poor, and they are also among the most vulnerable and marginalized of the rural poor. Helping them to overcome their material poverty would make a major contribution towards the goal of reducing rural poverty. Moreover, as they are the stewards of biodiversity in many environmental hotspots, assisting them would help protect the global environment. The geographical overlap between ongoing conflicts and the areas inhabited by indigenous peoples suggests that ending their marginalization would help to promote the stability needed to foster sustainable development.

Participants agreed that the key factors leading to the poverty and marginalization of indigenous peoples and, not least, to increasing conflicts, are the non-recognition of their right to their lands and natural resources; historical isolation; and the existing structural inequities that still prevail in most countries.

Participants recognized and appreciated the bold innovative approaches taken by IFAD in addressing issues and concerns of indigenous peoples, and urged that such approaches be sustained and enhanced to cover wider areas.

While recognizing poverty and marginazation among indigenous peoples, participants also stressed that there still exists a wealth of perspectives, visions, cultures, traditions, knowledge and resource-management systems among indigenous peoples, which should be reinforced. IFAD should sustain its support to the efforts of indigenous peoples to network among themselves at the local, national and global levels because this was crucial for making their perspectives known and for making them integral to sustainable development.

In this context, concrete recommendations were made for IFAD to follow up.

- To formulate and adopt a policy on indigenous people, to be undertaken jointly with their representatives.
- To consider decentralization of operations to best reflect and address the specificities and diversities of indigenous peoples.
- To allot more resources, both grants and loans, in support of indigenous peoples.
- To use more indigenous experts and consider indigenous peoples as equal partners in development rather than as beneficiaries.
- To create a dedicated institutional mechanism within IFAD on indigenous issues.
- To engage in policy development and advocacy at various levels (local, national and international).
- To replicate the successful experience in Latin America of interagency cooperation and coordination.
- To increase its involvement in conflict-mitigation and peace-building in indigenous peoples' communities.