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**STATEMENT BY THE VICE-CHAIRPERSON
HIS EXCELLENCY NURI IBRAHIM HASAN
CLOSING THE TWENTY-SEVENTH SESSION OF THE GOVERNING COUNCIL**

Mr President,
Distinguished Governors and Delegates,
Ladies and Gentlemen,

We have come to the end of the Twenty-Seventh Session of the Governing Council – a session rich with statements and interactive dialogue, both during the main panel discussion on the theme of trade and rural development and at the six round tables that dealt with other issues of importance to rural development.

We have had the honour of listening to the inaugural address of the President of Burkina Faso, His Excellency Blaise Compaoré, who so eloquently conveyed to the Council not only the problems Africa still faces but also some of its inherent assets. Assets that can be maximized through the equitable global trading of agricultural commodities, and assets that can be nourished with the full and total participation of women, especially rural women.

We were happy to have the message of Mr Kofi Annan, Secretary-General of the United Nations. The Secretary-General commended IFAD for highlighting the importance of an open international trade regime for poor farmers, whose interests are all too often overlooked, but whose need of a fair opportunity to compete in world markets is vital.

President Bâge's statement further stressed this need, and clearly demonstrated IFAD's continued commitment to the Millennium Development Goals through creating opportunities for the rural poor to use their talent, skills and capacity to work their way out of poverty.

This commitment is shared by IFAD's sister agencies here in Rome, and the partnership was highlighted in the statement by Mr Jacques Diouf, Director-General of the Food and Agriculture Organization of the United Nations, and in the message of Mr James T. Morris, Executive Director of the World Food Programme, delivered on his behalf by Mr Jean-Jacques Graisse, Deputy Executive Director. We should not, however, lose sight of the fact that, despite such partnerships, investments in food aid for hunger emergencies and in agricultural development for long-term sustainability are simply not coming quickly enough to meet the Millennium Development Goals in the time frame set.

While President Compaoré brought the voice of Africa to our assembly, governors from the world over sent clear messages in the statements they delivered. These statements demonstrated the strong support of our Member States for IFAD and called for increased funding of its activities. They also envisioned a pivotal role for the Fund in global initiatives to combat hunger and poverty, such as the one jointly taken by the Presidents of Brazil, Chile and France, together with the Secretary-General of the United Nations. No matter how different the land, cultures and problems may be, there is a shared desire to bring rural poverty to an end.

At this session, the Governor for the Italian Republic announced Italy's intent to provide IFAD with a new headquarters – yet another manifestation of its longstanding support for the Fund. Our deep appreciation goes to the host Government.

Distinguished Governors,

At our last session the Council received the good news of the rapid conclusion of the negotiations for the Sixth Replenishment of IFAD's Resources. This session was marked with continued good news – that of the replenishment's effectiveness, thus permitting the use of these funds. The receipt of instruments of contribution and payments against pledges not supported by instruments of contribution, including complementary contributions, has now reached 66.3% of the total pledges made. While we are well on our way, our call goes out to our fellow Member States that have yet to announce their pledges, deposit their instruments of contribution or make their payments to please take action. Our combined and total commitment is required.

The Governing Council approved the administrative budget of IFAD for 2004. In approving this budget, it also decided to amend the Financial Regulations of IFAD to allow for a carry-over policy of 3%, with application to the 2003 budget.

One of the recommendations submitted to us by the Consultation that negotiated the Sixth Replenishment was that the Fund renew its evaluation policy, and as a result, the Office of Evaluation now formulates its annual work programme and administrative budget independently. The Council approved this administrative budget of the Office of Evaluation as well.

At this session we entrusted the Fund's Executive Board with establishing multi-donor trust funds on our behalf. In this respect, we recognize that the one-year intervals between our sessions may not be the most practical for taking advantage of opportunities as they arise.

We must also congratulate our colleagues on the Executive Board for their conscientious work on another important issue from the Sixth Replenishment negotiations, the formulation of a performance-based allocation system. The Council received a comprehensive report on just how much work was done by the Board this past year in developing a system acceptable to all our Member States. We fully appreciate both the technical aspects and the political considerations that went into the design of this system, and I must also commend the Fund's management and staff for the timely manner in which this Consultation's recommendation was acted upon.

The Council was presented with a report on the Fund's Strategic Change Programme designed to review and streamline its operational processes. This past year has seen progress, but also reflection on the way ahead. The time frame for full implementation of the programme is undergoing an analytical revision to take account of lessons learned in 2003, and we look forward to the results of this analysis.

The International Land Coalition brought us the lessons that frame its approach, recognizing that access to land, like all development issues, must be tailored to each country and community. The Global Mechanism of the Convention to Combat Desertification, which is housed in IFAD, also reported on its operational activities in 2003 and on the steps it is taking to enhance its resource mobilization in the context of its new business plan.

Fellow Governors,

I would like to thank you for the collaboration you have afforded me and my colleagues on the Bureau. You have made presiding over this session an easy and indeed pleasant task.

All our thanks should go to the staff of IFAD, who unfailingly demonstrate dedication, skill and competence in the preparation of these meetings and in responding to the demands made of them

by Member States. I should also like to thank, most sincerely, the interpreters, technical staff, conference personnel and messengers who graciously help us communicate with and understand one another.

Ladies and Gentlemen,

As we come to the end of this Governing Council session, I cannot but remark on how much ground we have covered in our various discussions. The Council's sessions have evolved, over the past three years, to make these occasions an effective forum for governors' interactive dialogue on ideas and experience in rural poverty eradication.

Our panel discussion focused on trade – how it helps and how it can hinder rural development – what poor rural societies need to be able to properly benefit from it and what is presently blocking development. Our round-table discussions provided windows on a range of other problems and other solutions: from rural finance, rural enterprises and water scarcity to remittances, access to markets and sector-wide approaches.

Most importantly, all of our statements and all of our discussions have provided us with renewed hope and increased determination. Let us take this back to our capitals and to our peoples.

On this note, I hereby close the Twenty-Seventh Session of the Governing Council.