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Investing in rural people

Closing Statement by President, Gilbert F. Houngbo

Governing Council — Forty-fifth Session
Rome, 16 February 2022

For: **Information**



Statement by
Gilbert F. Hounoubo
President of the
International Fund for Agricultural Development (IFAD)

Closing of the forty-fifth session
of the
Governing Council

Virtual event
Rome, Italy
16 February 2022

Mr Chairperson,
 Excellencies,
 Distinguished Governors,
 Ladies and Gentlemen,

The Chairperson will shortly close this forty-fifth session of IFAD's Governing Council.

At this point, I would like to thank Mr Wempi Saputra, our outgoing Chairperson, for his valuable work, and welcome His Excellency Oscar Miguel Graham Yamahuchi, Minister for Finance of Peru, as the new Chair.

I would also like to thank our outgoing Vice-Chairpersons, Her Excellency Clémentine Ananga Messina, Governor for the Republic of Cameroon, and His Excellency Thomas Kelly, Governor for the United Kingdom of Great Britain and Northern Ireland; and welcome the new Vice-Chairs Mr William Roos, Governor for the French Republic, and Her Excellency Haifa Aissami Madah, Governor for the Bolivarian Republic of Venezuela.

Ladies and Gentlemen,

Over the last two days, we have had focused discussions on key issues that are pressing for IFAD, our Members and the world. We are still battling a pandemic and its economic knock-on effects, and climate change continues to be a global challenge that most severely impacts the poorest and most marginalized.

Here, I would like to recall the words of Daniele Franco, Minister for Economy and Finance of Italy, who said that "Climate change, environmental degradation and biodiversity loss represent an immediate threat for natural resources, as well as for the lives and livelihoods of rural people."

As showcased in the pre-Governing Council informal webinars, we can only meet these challenges by working together, with stronger partnerships and decisive action.

Yesterday, the event on the Sahel Joint Programme showed us how such regional operations and financing can be used to bring together key players to address difficult and interlinked challenges and strengthen the livelihoods of small-scale agricultural producers, particularly women and youth.

The event on the Private Sector Finance Programme was an opportunity for an in-depth dialogue with representatives from Member States and the private sector towards catalysing investment in underserved areas through support to small-scale producers and rural small and medium-sized enterprises.

I want to thank Queen Maxima of the Netherlands for her inspiring speech, and I echo her call to action for the private sector to help address the annual gap in agriculture sector financing of US\$170 billion. The example she drew upon, in Côte d'Ivoire, showed clearly how critical it is to create innovative solutions for climate finance access, particularly for women's empowerment.

Distinguished Governors,

As we kick-start the implementation of IFAD12, I would like to express my appreciation to our Governors for approving allocations to countries based on the performance-based allocation system and the Borrowed Resource Access Mechanism. I assure you that IFAD will leverage this new financial structure to make finance available to the countries most in need.

Our growing partnerships with the private sector will allow us to continue supporting both our partner governments in developing inclusive food systems and the most vulnerable groups in adapting to the impacts of climate change. This commitment recalls the words of Iván Duque Márquez, President of Colombia, who stressed the importance of "making good use of the opportunities offered by innovation and financing

to achieve an inclusive and climate-resilient recovery in which small producers have, or will have, a leading role.”

We will be focusing our efforts where they have most impact and where support is needed the most. In this regard, we have ensured that between at least 25 and 30 per cent of core resources were allocated to countries with fragile situations and at least 55 per cent to Africa.

Indeed, Aiyaz Sayed-Khaiyum, Acting Prime Minister of Fiji, reminded us that “Our rural communities are at the front line of the front line,” and that “eradicating rural poverty demands a radically new approach to building rural resilience”.

I thank Professor Jeffrey Sachs, who reminded us of the need to raise awareness about global challenges, the solutions to address them, and the critical need for adequate financing to address the needs of the poorest countries.

This is what we will do in 2022: IFAD will position itself at the forefront of global initiatives such as COP27, the Finance in Common Summit and the G20 to champion the cause of rural poor people and smallholder farmers.

In closing, I would like to recall the words of Andry Nirina Rajoelina, President of Madagascar, who said “Let us pool our strengths, our potential and our know-how so that our countries reach food self-sufficiency and that our young people have jobs.” This commitment is the essence of what IFAD stands for.

I would like to express my great appreciation to Norway for its decision to increase significantly its contribution to IFAD12, and to Algeria for announcing a pledge of US\$500,000.

Lastly, I would like to thank IFAD’s workforce for their incredible commitment to this institution and its mandate, as well as the interpreters and the organizational crew for their hard work in making this session successful.

Thank you.