



IFAD Governing Council 2023 Concept Note - Accelerating Action for Food Security

The Challenge

The world is facing the largest food crisis in modern history. Currently more than one in 10 people are suffering severe food insecurity and over 3 billion people cannot afford a healthy diet.

At the halfway point towards the 2030 Agenda, this means that progress on SDG 2 (Zero Hunger) is not just off-track, we are moving backwards. According to projections in the most recent State of Food Security and Nutrition report (2022),¹ nearly 670 million people will still be facing hunger in 2030; the same number as in 2015. This would represent a major failure by the global community to deliver on its commitments to leave no one behind.

At the same time, food insecurity is being exacerbated by multiple crises. Communities face threats from conflict to climate change, and most recently the impacts of COVID-19 and the war in Ukraine. These crises are interrupting planting seasons and markets, causing record high food prices in 2022, and continue to disrupt supply and increase the price of commodities such as fuel and fertilizers. Crises have driven higher and higher humanitarian relief needs, while donor support for agriculture has remained stagnant at just 4 per cent of total ODA for at least two decades.² In recent years, extreme poverty has also grown, reversing a long downward trend.³ Furthermore, poverty remains heavily concentrated in rural areas, where over 80 per cent of people experiencing extreme

¹ FAO, IFAD, UNICEF, WFP and WHO. 2022. *The State of Food Security and Nutrition in the World 2022. Repurposing food and agricultural policies to make healthy diets more affordable*. Rome, FAO.

² [Official international assistance: Stagnation despite pledges and new development challenges \(unctad.org\)](https://unctad.org/en/publications-and-statistics/publication-official-international-assistance-stagnation-despite-pledges-and-new-development-challenges.aspx)

³ World Bank. *Poverty and Shared Prosperity 2022: Correcting Course*. Washington, DC: World Bank.



poverty worldwide live, and is increasingly focused in sub-Saharan Africa and in fragile and conflict-affected areas.⁴

Opportunities to accelerate action for food security

Urgent investment in **transforming food systems is needed**. Producing more and better food locally, through inclusive value chains, is critical to address both hunger and poverty, deal with the impact of current crises and reduce vulnerability to future ones. **IFAD is purpose-built to respond**, particularly when it comes to financing strengthening the productivity, livelihoods and resilience of small-scale food producers and rural people, with a strong focus on the inclusion and empowerment of women, youth, Indigenous Peoples, persons with disabilities and other groups at risk of being left behind.

Equitable and sustainable food systems transformation could have a **game-changing impact on poverty reduction, increased food security** and many other development goals. It is estimated that successful food systems transformation could lead to US\$4.5 trillion in new business opportunities every year⁵ and over 120 million decent rural jobs, help limit global warming and regenerate natural ecosystems and biodiversity, while also reducing the estimated US\$12 trillion in costs and waste currently generated by the food system every year.

As the world's fund for food and agriculture, IFAD plays an **innovative and catalytic role** in accelerating action for food security through its unique role as a specialized financial institution. Benefiting from its presence on the ground, IFAD pilots and scales up solutions that unlock the potential of small-scale agriculture, build functioning markets to support sustainable growth, feed growing rural and urban populations, and create opportunities for investment and employment in rural areas. This is especially true in building resilience to climate and other shocks, given its leading role in climate adaptation activities. IFAD is particularly focused on fragile situations, where poverty is increasingly concentrated. To deliver at the pace needed to meet the challenge, inclusive **partnerships are essential**, for example with the private sector, to create jobs and economic opportunities that support rural transformation, and to access different sources and types of finance, blending public and private investment to bridge the growing gap to achieve the SDGs.

IFAD13 presents an opportunity to define the path towards improved food security and reduced poverty after decades of underinvestment in smallholder agriculture. In the coming months IFAD will explore with Member States how best to scale up its capacity to

⁴ Ibid.

⁵ Food Finance Architecture: Financing a Healthy, Equitable, and Sustainable Food System (English). Washington, D.C. : World Bank Group.



invest in transforming food systems in the rural areas most impacted by recurring crises to help feed the world and ensure decent livelihoods in thriving rural communities.

IFAD's Governing Council

The forty-sixth session of IFAD's Governing Council (14-15 February 2023) will focus on accelerating action for food security. It will directly involve those who are most vulnerable to food insecurity and listen to their ideas and solutions for food systems transformation. Both Indigenous leaders and youth will have a platform to speak and feed into the Council's decision-making.

The Governing Council will include interactive sessions that engage delegates and participants in conversations on how to accelerate action for food security and increase resilience in the face of crises and shocks.

Key questions for high-level Governors' dialogue

In the afternoon of day 1, a high-level Governors' dialogue will take place, focusing on the Council's overarching theme and the context for IFAD13. To facilitate the dialogue, the following guiding questions have been prepared:

1. Food systems change is urgent but complex, and requires partnerships. How should national governments, IFAD and other stakeholders – particularly the private sector – work together to accelerate progress towards realizing sustainable, inclusive and resilient local food systems and transforming rural livelihoods? What priorities should be considered in IFAD13 and beyond?
2. IFAD was established in response to a global food crisis, as the world's fund for investment in food and agriculture. Today, there are multiple escalating crises that demand a rapid scale up of financing for equitable and sustainable food systems, including harnessing financing from the private sector, and climate and biodiversity finance, for the benefit of small-scale producers. How can IFAD13 galvanize renewed global solidarity and a global financial response to escalating food insecurity?



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