
Opening Statement by President Alvaro Lario

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Statement by
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of the
Governing Council

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

Before we start I would like to take a moment to express my deep condolences to the people of the Syrian Arab Republic and Türkiye for the terrible loss and suffering in the wake of last week's earthquakes.

As we begin our Governing Council discussions, let me ask you to take a moment to consider this year's theme.

How many people need to suffer from acute malnutrition before we accelerate action on food security?

Is it 900 million? 950? One billion?

Today, more than 800 million people do not have sufficient nutritious food to live productive and active lives.

That is equal to the entire populations of the United States, Nigeria, Bangladesh, and Italy combined.

The Horn of Africa is experiencing the longest and most severe drought on record. High prices for food, fuel and fertilizer are making the situation worse.

I am proud to stand here today with the President of Somalia and to recognize that through the generous contributions of several IFAD Member States, Somalia will be able to access IFAD's resources once more. This comes at a critical time when Somalia is facing increasing challenges to food security.

Millions more people are facing catastrophic levels of hunger. In Afghanistan 20 million people are going hungry, in the Democratic Republic of the Congo more than 26 million people are expected to become hungry by the middle of 2023, while in South Sudan more than half the population is already hungry. In Yemen, 2.2 million children are acutely malnourished.

Every person facing hunger is a reason why we need to step up action for food security, now.

This is why the theme of this Governing Council is Accelerating Action for Food Security. And it is why we are urgently working with FAO and other partners to deliver on the commitments of the Food Systems Summit. Action cannot come too soon; and it is a tragedy if for many it comes too late. We must do our utmost to avert these crises.

Throughout the world, climate change, conflict and inflation are putting pressure on farming and food security.

Governments are 800 million people away from meeting their second Sustainable Goal commitment of achieving Zero Hunger by 2030.

The vast majority of the world's hungriest people live in the rural areas of developing countries and depend on agriculture for their lives and livelihoods.

IFAD is dedicated to ensuring the populations we serve, who produce so much of our food, get the support they need to take the lead in building their livelihoods and resilience. They are not passive victims but a powerful force for change.

Today's food crisis is not the result of any single conflict, pandemic, or even climate change. It is more often than not a combination of these various challenges compounded by long-standing weaknesses and under-investment in the overall structure of food systems.

And it is a result of glaring inequalities that have left too many small-scale farmers and other rural people cut off from economic opportunity and living in extreme poverty.

Ladies and gentlemen,

The world is in permanent crisis. And it will continue to be as long as we respond to each emergency in isolation, without complementary investments in holistic, longer-term solutions.

It costs less to fix a problem than it does to respond to an emergency. And the more we delay, the higher the costs.

Today, our food systems are not providing food security and nutrition for all, or decent livelihoods for farmers and other workers who provide food for the world. At the same time food systems produce around one-third of all greenhouse gases; up to 80 per cent of biodiversity loss; and they use 70 of our planet's freshwater.

But we can transform food systems so that they deliver decent livelihoods, and help address food insecurity and poverty in both the short and the long-term.

Small-scale producers and rural entrepreneurs should be at the centre of our investments for a lot of reasons. In fact, one-third of our food comes from small farms even though they occupy less than one-tenth of all farmland.

Small farms are efficient, they have a lighter carbon and environmental footprint, and preserve biodiversity instead of depleting it.

In short, they are a good investment, however you look at it. GDP generated by agriculture is 2 to 3 times more effective in reducing poverty than growth in any other sector.

But beyond the numbers are the people. The 3 billion people who rely on small-scale farming for their food and livelihoods.

Ladies and gentlemen,

The disruptions caused by the COVID-19 pandemic and the Ukraine war have highlighted the importance of shorter value chains, with local producers and food processors serving local markets.

Think how much more rural people could contribute to global food security, peace and stability if they had the resources to improve their farms and businesses and to prosper, not just survive. If they had access to finance to invest in sustainable production, technology, and climate smart-approaches, and with better market access, post-harvest storage and other support.

Productive and profitable small farms also work with small and medium-sized businesses that process, store and market food. This creates jobs in the midstream of food systems and a future in rural areas, especially for youth.

Ladies and gentlemen,

With more than 8 billion people on our planet and climate change affecting weather cycles and planting seasons around the globe, we need to increase investment at a speed and scale never seen before.

In a very real sense, IFAD is the international community's most direct conduit for channelling investment into sustainable food systems for development.

Since 1977, IFAD has turned every dollar of core contributions from Member States into six dollars of investment on the ground, through mobilization of cofinancing.

IFAD has been entrusted with leading the financing agenda for food systems transformation on behalf of the UN. We are also leading the coalition of Public Development Banks to step up green and inclusive investments in agriculture. And we are co-leading the coalition on decent work, to ensure farmers and all food systems workers have living income and enough nutritious food.

As an ***assembler of finance***, IFAD is well positioned to forge strategic partnerships and leverage resources by mobilizing domestic and international co-financing.

IFAD has also been able to leverage private sector resources through the Private Sector Financing Programme, and to mobilize donors to support rural SMEs. For climate financing, IFAD has been able to catalyze resources through ASAP+ to support small-scale producers in responding to the impact of climate change.

In a world that is racked by crisis and conflict, we have to be very concerned about increasing fragility. IFAD has demonstrated its capacity to strengthen local institutions when working in fragile contexts, while at the same time addressing some of the long-term factors that underpin local conflict.

This is an area where we are commitment to scaling up our capacity and working with our Member States to do more for people living in fragile contexts.

Ladies and gentlemen,

The food crisis we face today is too large for any single institution or state to solve on its own. Global challenges require a global response.

IFAD is the international community's platform for scaling up the transformation of food systems. We bring together a membership that is 177 Member States, and still growing. And that's because IFAD has an established track record, and trust built over 4 decades with governments, NGOs, development agencies, the private sector, and poor rural people themselves.

In the years ahead, we want to do even more together. We want to reach even more people, to have even greater impact, and to give hope and opportunity to those who today face unprecedented challenges.

We can do this. Our upcoming IFAD13 replenishment is our opportunity to scale-up investments and impact.

We can help put the world back on track towards reaching our shared commitment to end poverty and hunger. We can help achieve the SDGs. But we can only do it with your support.

Thank you.