
Opening statement by President Alvaro Lario

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Mr Chairman,
 Your Majesty,
 Excellencies,
 Distinguished Governors,
 Friends and colleagues,

On behalf of everyone at IFAD, let me welcome you to the forty-eighth session of the Governing Council. It is a very special moment for us, to bring you all together.

I want to pay a special welcome also to our Indigenous Peoples' representatives who have just completed their Forum. Welcome, everybody.

Just by listening to many of the speakers who came before me, you can notice and acknowledge the diversity of the origins, of the geographies, albeit with a common sense of purpose. One can talk about Asia, the Middle East, Europe, Africa, the Americas, but there is a big sense of common purpose.

I would like to start with that. Because this diversity – being a universal house, with 180 Members of which Ukraine is the latest – is what makes us strong. Together we are stronger. I know there is a lot of noise, a lot of shock; we are at a critical moment in history – but let's not forget that together we are stronger. What we heard this morning is a reflection of that.

At the same time, the visions and investment plans we heard about all need to be underpinned by action. This is what we are talking about today. It is what IFAD is about.

Building thriving rural communities will not solve all the world's challenges overnight – but it is clearly a prerequisite. It is a first step to really address many of the challenges we have today. This starts with inequality, which has to be at the centre of it.

At the heart of this historic and critical moment are uncertainty and instability. Social instability leading to conflict and forced migration. Price instability and the global cost-of-living crisis that many of your countries are also living through. Climate instability and extreme weather events that all of us are affected by, be it floods, droughts or extreme heat.

I strongly believe that rural development can deliver an antidote to many of these challenges. I hope that during the next two days, we will continue discussing how this connects to many of the priorities in your countries and to some of the challenges we all have.

Stabilizing rural communities, through investing in their productivity and their rural economies, is a major step on the road to advancing this common goal.

Because investing in rural communities creates jobs, increases income and, as some of the speakers have said, it can be an engine for growth of the entire economy and of the world. At the core of our business model is a recognition that no matter how small their farms are – it is important that we think of them as business owners.

They are part of the global and local economy. A core part of the private sector and value chains. They are at the centre of many of these investments.

And they need what any business needs: better technology, working capital and access to markets; being able to sell their goods at a price that they can live off.

That is why IFAD is uniquely placed at this critical moment in history.

Because a world in which farmers are left to fend for themselves is a less stable world, one more at risk of deepening hunger and poverty, and one less equipped to address extreme weather events such as floods, droughts or heat waves.

And it is a world in which those closest to the land, the small-scale farmers, are the ones who go hungry. We all know that this is unacceptable.

We also know from our own research that there is a direct link between agricultural productivity and peace.

In Ethiopia, we measured a 3 per cent decrease in conflict for every 1 per cent increase in land productivity. And in Mali we found an 8 per cent reduction in conflict where IFAD invested.

The reason is clear: the more we successfully invest in small farmers' ability to produce food, the less competition there is for resources, and the less need there is to forcefully migrate.

And when shocks do happen, these farmers and communities are also better placed to withstand them. Our own impact assessments show that communities and farmers who were funded by the projects are 14 per cent more likely to recover from shocks than farmers that did not.

Distinguished guests,

By catalysing investment at the first mile, IFAD focuses on those who are otherwise left behind, delivering hope underpinned by concrete action.

IFAD is ready to meet this moment. We invest in what works. We invest where we are needed most. And we invest in where we can achieve the most impact.

IFAD's new strategic framework covers the period from now until 2031 - and so it both sets the path for IFAD's final push for progress on the Sustainable Development Goals and acts as a bridge to the post-2030 Agenda.

Representing the changing profile of our investments as informed by country demand, the framework aims to:

- Increase economic opportunities for small-scale food producers;
- Improve food security and nutrition for rural communities;
- Strengthen environmental sustainability and natural resource management; and
- Enhance resilience.

The strategy is clear, and we are implementing it tirelessly:

First, we have recalibrated our operations to ensure that impact and results are at their core and that we can be more effective with the dollars and euros contributed by countries and private investors. This includes increasing our efforts to engage the private sector, especially at the local level, and supporting governments in catalysing investments and creating a constructive ecosystem where those investments can take place.

That is why we have created a new Private Sector Operations Division within the Department for Country Operations, to keep it very close to our investments.

Our investment strategy will focus on our competitive advantage – targeting the financing gaps that governments and local financial institutions are unable to cover. To that end we need support and collaboration, particularly with the local private sector.

Second, we are renewing our commitment to innovation and adaptability.

The digital revolution has largely left rural communities behind. We must ensure that this does not become another gap in the future.

We must also become more agile. The countries – all of you – are asking for this. We must try to streamline procedures and bureaucracy. We need to make investing with you as easy as possible.

And third, we are reinforcing our commitment to partnering with other actors – some of whom we have seen today – for example cooperation with the other United Nations Rome-based agencies, taking into account our complementarity, and cofinancing goals, which are very important, with multilateral development banks and public development banks.

And we also participate in important platforms, such as the one described by the First Lady, with more than 150 members, which we will be discussing later: the Global Alliance Against Hunger and Poverty launched by President Lula at the G20 last year, as well as efforts on South-South and Triangular Cooperation through our offices in Brasilia and Beijing.

Friends,

As our mission tagline says, IFAD is in the business of investing in rural people. And we are committed to ensuring that the progress and our investments are sustainable, resilient and inclusive.

We give a hand up, not a handout.

IFAD's approach gives people a stake in designing and owning the solutions that work. Ownership and accountability is part of hope. This is "growth from below" – and it the most impactful way to create opportunities and change lives.

It is the first mile.

IFAD was founded at another moment of global turmoil: high tension, hunger and conflict in the 1970s.

Our strength has always been and will remain that we invest in rural people and in impact on the ground. Our investments raise productivity and incomes, putting money in the pockets of the poorest.

Our approach builds resilience and prevents the need for further humanitarian intervention.

Our mandate has never been more relevant – and we count on all of you to support us in achieving this mission.

Together, with the right investments, we can unlock food security and lock in carbon. We can scale up new technologies and reclaim traditional practices. And we can help secure global stability by improving conditions locally.

Let us work together in leaving no one behind.

Thank you very much.