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## **Opening statement by President Alvaro Lario**

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Mr Chair,  
 Excellencies,  
 Distinguished Governors,  
 Friends and colleagues,

On behalf of everyone at IFAD, let me welcome you to the forty-ninth session of our Governing Council.

Once again, we meet in Rome at a very important moment. The geopolitical landscape is as complex as we have known in decades. Alliances are evolving, relationships are being recalibrated, and the multilateral system is adapting to new realities.

What has not changed is the steady pressure on rural people and food systems: recurring climate shocks, rising fragility and persistent underinvestment. These forces squeeze farmers, agricultural workers and rural enterprises first – and when the first mile is under strain, the whole food system feels it.

At the same time, the international system that underpins development finance is itself under financial strain. That is why this moment calls for evolution – and why IFAD has been modernizing how we work, so we can deliver our mandate with greater scale, speed and impact.

We have strengthened our financial architecture, sharpened our operating model, and focused on partnerships with the private sector that can bring additional capital and expertise. This is how we deliver IFAD's mandate: by being agile in a changing world, while staying anchored to our mandate and to the communities that depend on us.

IFAD's financing model is designed for leverage. The resources our Members provide are not simply disbursed; they are multiplied. They strengthen our balance sheet, crowd in partners, and translate into long-term investment in rural economies - the kind of investment that creates jobs, raises incomes and builds resilience.

As we launch IFAD14, we are sharpening our focus on what we call financing the first mile – that is where small-scale farmers and rural entrepreneurs generate the food, jobs and local economic activity that the rest of the food system depends on.

IFAD14 is therefore not simply a replenishment; it is a timely, high-impact investment in stability and opportunity at a moment of rising global uncertainty. It will help countries address the root drivers of food insecurity, rural poverty and instability, including in settings affected by fragility and climate extremes, through a proven model that turns contributions into sustained, measurable impact.

Sustaining this investment in food security and stability will require us to navigate a more pragmatic, interest-driven global environment. That demands clear results, disciplined trade-offs and choices and new approaches. Together, we began this journey several years ago. Today, our task is to stay the course, to accelerate and to double down on what is working.

As an international financial institution dedicated to investing in rural people, we continue to look to you, our Member States, as the foundation of our financial

strength, our legitimacy and our leadership. You set high expectations for measurable impact. Your partnership provides the equity and confidence that enable IFAD to invest where others hesitate – in remote areas, in fragile contexts, and in the communities that sit at the start of every food value chain.

Your collective support allows rural communities to become engines of economic growth. It helps local value chains connect to national and global markets, so small-scale producers can supply processors, retailers and global food companies, capture more value for their work and withstand climate shocks such as floods, draughts and extreme heat.

These are undoubtedly challenging times. But with your guidance and engagement, I am confident we are positioning IFAD to sustain its foundational role: driving investment in rural economies and delivering impact on the first mile.

This Governing Council will focus on priorities that reflect both urgency and opportunity. At the top of them is investing in young people – not as beneficiaries on the margins, but as leaders at the centre of rural transformation.

Today, youth constitute the largest generation in history. There are approximately 1.3 billion young people worldwide, many in low-income and developing countries, and at least half of them live in rural areas. However, they too often face a dearth of opportunities, creating a gap between their potential and the investment, services and financing available to turn that potential into productive employment.

If we fail to invest, we risk perpetuating a cycle of low productivity, need-driven migration and rising inequalities. But if we invest wisely, we can create opportunities where they are most needed while also strengthening the skills, businesses and local institutions that keep rural economies competitive.

Closing this gap is about much more than supporting individuals: it will also help to strengthen food security, reduce instability and drive growth. And if we do this with an eye to the future, young people can play a central role in transforming the agriculture and the food systems of tomorrow.

This is why we focus on rural entrepreneurship and on creating decent jobs all along the value chain – not only in agricultural production, but also in storage, processing, logistics, marketing and export. It is in these segments that productivity gains translate into income and that high value-added jobs can be created on a large scale.

Young entrepreneurs bring energy, digital skills and creativity. IFAD can help transform these assets into viable businesses by investing in training, access to finance, market linkages and networks that enable rural businesses to grow. This is not simply a matter of supporting projects; it is about strengthening rural productivity as a pillar of global food security.

The pressure is mounting. By 2050, the world will need to produce much more food. Investing in young entrepreneurs is therefore not a choice; it is what we must do if we want to build sustainable and resilient food systems.

When we speak about youth, we must also speak about young women. Women comprise 36 percent of the agricultural workforce worldwide and they are central to

food systems – yet inequalities continue to limit their opportunities, their productivity and their ability to build assets.

Women make up more than half of IFAD project participants. But barriers persist: unequal access to credit and inputs, heavier unpaid care burdens, and fewer opportunities to reach profitable markets. Closing these gaps is among the fastest and fairest ways to raise productivity and strengthen resilience.

That is why the designation of 2026 as the International Year of the Woman Farmer is so important. It is a moment to recognize the central role of women farmers – and to commit to the practical measures that expand opportunity: access to finance and training, secure land and resource rights, and better connections to markets and services.

IFAD's experience is clear: when women have access to finance and skills, outcomes and results improve – for households, for communities and for rural economies.

Across nearly five decades, we have seen measurable gains in incomes, productivity and market participation where women are supported to lead and to invest.

As IFAD approaches its 50th anniversary, we also deserve a moment to celebrate our unique contribution – and, more importantly, the shared contribution of our Member States and the rural people we serve.

We are the only international financial institution with an explicit mandate to work at the first mile, hand in hand with rural communities. Decades of partnership with governments and local institutions, including in remote and fragile areas where investment is most needed, have made IFAD a trusted presence and a partner of choice.

Since our founding in 1977, we have helped transform the lives of hundreds of millions of rural people. In the coming months, we will share how we intend to mark our fiftieth anniversary – not as a celebration of IFAD alone, but as a recognition of what we can achieve when Members, partners and rural communities invest together in a common mission.

We are all invested in this mission – and we will all share in its success.

Thank you for your attention.