



Governing Council Report

First special session
Rome, 7 July 2022



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Chapter 1 Proceedings and decisions

1. The first special session of the IFAD Governing Council was held in Rome on 7 July 2022. The list of participants is contained in annex III.
2. The Governing Council adopted the agenda, which contained the appointment of the President as the only item. The documents placed before the Council are listed in annex IV.
3. The Governing Council considered document GC S1/L.2/Rev.1 and its addendum concerning the appointment of the President of IFAD. In accordance with rule 41.1 of the Rules of Procedure of the Governing Council, balloting for the appointment of the President of IFAD was held in private meetings.¹
4. The Governing Council appointed Mr Alvaro Lario, of the Kingdom of Spain, as President of IFAD by acclamation for a term of office of four years and six months, to take effect from 1 October 2022. The Council adopted resolution 1/SI thereon on 7 July 2022.
5. The statement of the President-elect is reproduced in full in chapter 2.
6. The statement of Mr Gilbert F. Houngbo, President of IFAD; the closing remarks by His Excellency Oscar Miguel Graham Yamahuchi, Chair of the Governing Council; and the statements delivered on behalf of the three Lists are also provided in chapter 2.

¹ As per rule 25 of the Rules of Procedure of the Governing Council, no summary records were prepared for the private meetings.

Chapter 2 Statements



Mr Alvaro Lario, President-elect of IFAD



Mr Gilbert F. Hounbo, President of IFAD



His Excellency Oscar Miguel Graham Yamahuchi (Peru)
Chair of the Governing Council Bureau



Mr Luis Jiménez-McInnis, Secretary of IFAD



Ms Bjørg Skotnes, Counsellor, Deputy Permanent Representative of the Kingdom of Norway, delivering a statement on behalf of List A



Her Excellency Doña Haifa Aissami Madah, Alternate Governor, Ambassador, and Permanent Representative of the Bolivarian Republic of Venezuela delivering a statement on behalf of List B



His Excellency D. Miguel Jorge García Winder, Governor, Ambassador, and Permanent Representative of the United Mexican States delivering a statement on behalf of List C

Statement by Mr Alvaro Lario, President-elect of IFAD²

Excellencies, Distinguished Ministers, Distinguished Ambassadors, Distinguished Governors, colleagues,

I want to express my deepest gratitude to you all. On behalf of all the candidates, let me start by thanking all IFAD staff for their work throughout this very professional and transparent process.

I would like to congratulate the other three candidates on a very well-run campaign within a very short time, conducted with integrity and in a very collegial manner.

Let me also thank each and every one of you who have supported me in assuming this leadership role at this critical time. Special thanks to the Spanish Embassy and to the Government of Spain for having supported me throughout the process.

I was born at the same time as the Spanish democracy, and I am lucky to have enjoyed opportunities that my parents did not. They lived through the consequences of a civil war, and they were both brought up in farming families in rural areas of Spain. I remember vividly the stories that my mother told me about food, about how she ate nothing but chickpeas and vegetables every day of the week – very similar to the tagines of North Africa – and that meat was eaten only on Sundays. Indeed, sometimes only adult males got to eat meat. My life has been quite different. I have had the opportunity to study abroad and be supported by both public and private institutions. We all know that hard work is not enough. We need to make sure that we provide the opportunities, like the ones I had, to all of those who are born in environments where efforts need to be nurtured. That is why development is so important and why working in development is so precious to me. It allows all of us to create the opportunities for those who do not have them.

We are living in uncertain and very challenging times. The international community is facing a number of formidable challenges – rising inequality in an environment of rising inflation, the need to find a joint response to climate change, the need to protect our environment and our natural resources and to create equality among women and men so they can also have the economic opportunities and the productive resources that they need. We, the international community, need to rise to these challenges. The State of Food Security and Nutrition in the World (SOFI) Report yesterday showed that we are actually going backwards. Over the past two years, 150 million people have fallen back into poverty and hunger, and this is not acceptable. We know that official development assistance will not be enough. Due to the war in Ukraine, small-scale producers cannot absorb the shocks of higher prices, including for fuel, and the lack of fertilizers. This comes as an additional shock on top of the climate disasters and unequal recovery from COVID-19 that are disproportionately affecting poor communities. We have the institutions to tackle poverty, and we have the know-how to reduce inequality. What we need is to mobilize resources and for the entire international community to join forces.

IFAD is an important institution with a critical mission towards the achievement of the 2030 Agenda. Together, all of us, will lead the institution to double its impact by 2030. As IFAD President, in order to achieve rural transformation, I will scale up our investments in climate-smart agriculture and climate-resilient practices and deepen the impact on our four main themes and areas of expertise: climate, gender, youth and nutrition.

The SOFI report has presented a troubling picture globally. IFAD needs to redouble its efforts to ensure that everybody has regular access to sufficient, safe and nutritious food. Food systems and sustainable global practices are fundamental to build resilience at the local level. This means increasing local production and the consumption of locally

² The video recording of the statement is available in English only through this [link](#).

adapted crops, and making sure that we support small-scale producers in their adaptation to climate shocks. We also need to ensure that women, girls and youth have equitable access to economic opportunities and to productive resources. We cannot reach the Sustainable Development Goals (SDGs) without harnessing the power of women and the energy of youth. Women make up half of our population. IFAD needs to mainstream further the gender transformative projects that we are currently programming. In order to make a real difference, I will prioritize putting women at the centre of these programmes and making sure that they have access to resources and are involved in decision-making in their communities.

Half of our world's population is under 25 years old. This increasingly youthful population is facing exacerbated fragility and forced migration, which will only accelerate unless rural transformation provides young people with opportunities. Partnering with the private sector will be fundamental in providing these opportunities. After 45 years of work, IFAD and its teams are ready to scale up lending to the public sector. We have the expertise, and we will need to make some strategic choices. I will do so, as President, in full consultation with the Executive Board.

My long-term vision for IFAD is to put it at the centre of food systems, the global climate agenda and the global rural agriculture agenda. My vision for IFAD is for the institution to become an assembler of development finance for SDG 1 and SDG 2. You have heard me say it before, but I will say it once more: IFAD is a development finance institution – a DFI – and the “D” comes before the “F”, just like in the dictionary; development comes before finance. Finance is a means to an end.

As IFAD's President, I will ensure that IFAD is connected to the huge amount of global savings from impact investors and pension funds that want to support rural transformation and poverty alleviation, and to assist poor rural farmers in adapting to climate change. To achieve rural transformation, I am determined to make sure that IFAD partners with the private sector, with like-minded climate institutions, with national governments and with other multilateral organizations – whether they be multilateral development banks or the rest of the United Nations system – and, obviously, the other Rome-based agencies. Each of these institutions has their own unique expertise, but together we can multiply our impact, especially on the ground.

IFAD's goal is to alleviate poverty through farming and non-farming operations in rural areas. I also believe that IFAD needs to partner very closely with national governments. Indeed, IFAD's comparative advantage is its relationship with farmers' organizations, with decision bodies in rural communities, with civil society organizations and with national governments. We have a track record of almost 45 years in doing so, and this is our biggest asset.

Before I finish, I would like to say a few words to IFAD staff. I have seen your passion and commitment over these years. I feel thrilled to lead IFAD as your next President and to work with all of you. I want to build an organization based on trust; trust is a key word. One of my key priorities will be to provide you with support and predictability at this moment of change. The planning and sequencing of the reforms will be fundamental in doing so.

Let me finish by saying that I am more than convinced that the only way to overcome the current challenges is for all of us to work together and join forces. A solution that covers only a subset of countries will not be sustainable. We need to make sure that we join forces globally. This also applies to the Executive Board. As President, I will do everything in my power to build a consensus on the way forward.

My final words are for President Houngbo. It has been an honour to be part of your leadership team. I thank you personally and publicly for your generosity. IFAD is now moving in a sustainable and robust direction, even more so than when you became President. All of us – in the IFAD community and in rural poor communities – will

remember your leadership. I am looking forward to partnering with the International Labour Organization on many fronts.

Now it is time to start a new chapter in IFAD's history and I am delighted to have the opportunity to lead this new chapter. It is also the time to scale up our efforts in building resilience for those who cannot absorb the current shocks and in preparing the institution for a very important replenishment – IFAD13 – which starts in six months' time.

I am looking forward to working with you all. Thank you very much.

Statement by Mr Gilbert F. Hougbo, President of IFAD

Mr President,
Honourable Governors,
Distinguished Delegates,
Ladies and Gentlemen,

In a few minutes, the President of Governing Council, His Excellency Oscar Miguel Graham Yamahuchi, will close this special session of the IFAD Governing Council.

I would like to take this opportunity to congratulate my dear colleague and friend **Alvaro Lario** on his appointment as the seventh President of IFAD. You know IFAD, Álvaro, and IFAD knows you. Your commitment to IFAD's mandate, your knowledge and experience and your vision of a just world in which no one is left behind reassure me that IFAD will be in the hands of an exceptional leader.

It will be my pleasure to work with you in the weeks to come to ensure an orderly transition.

I would like to acknowledge candidates Khaled Mahdi, Raychelle Awuor Omamo and Shobhana Kumar Pattanayak, who accepted the challenge of running for this prestigious office.

Excellencies, ladies and gentlemen,

On accepting this post five years ago, I shared with you my deep conviction that the time had come for IFAD to heighten its impact in reducing poverty – especially among rural youth, women and girls. In the context of growing competition for official development assistance and given the enormous financing deficit for agriculture and rural transformation, IFAD must develop, innovate and optimally utilize the funds granted and invested to maximize their impact.

My objective was to lay the foundations for a genuine financial, operational and institutional transformation of IFAD to better position the Fund to guide efforts to transform the rural world.

Thanks to your unwavering support and the exceptional dedication of its staff, the Fund is well-positioned today to undertake a more ambitious programme.

The need has never been so great. Over these past years, the world has been rocked by successive shocks. Today, at a time when communities are barely recovering from the shock of the COVID-19 pandemic and continue to suffer the effects of climate change, we are confronted by a food security emergency, as the effects of the war in Ukraine reverberate throughout the world.

Whatever the cause of the crisis, it is poor rural communities who suffer the most.

That is why IFAD's mandate, which focuses on support to the poorest communities in the poorest countries, is so important. Whatever may come, we have few illusions: distributing food rations, as necessary as it may be in the short term, is not the solution, at least not in the long term. The solution is sustained investment in the resilience of our communities.

Ladies and gentlemen,

As a result of recent reforms, we are closer and closer to the communities that we serve. Our approach to decentralization and mobility will continue to shape IFAD's effectiveness in years to come.

As I committed to you, we have increased our field presence from 16 to 38 per cent and are nearing achievement of the 45 per cent target set for the coming years.

On the financial front, the reforms and comprehensive changes to IFAD's financial model have allowed the Fund to obtain very strong credit ratings from both Fitch and Standard & Poor's. This has enabled us to mobilize additional resources using the Integrated

Borrowing Framework.

As a result, just last month IFAD was able to issue its first sustainable development bonds, in line with the Sustainable Development Finance Framework.

The Private Sector Financing Programme is also progressing well. With your continued support, it should soon reach cruising speed and continue targeting micro, small and medium-sized enterprises and creating opportunities for youth in rural settings.

These reforms have enabled us to step up our investments to reach more rural people. In 2020, we reached 128 million people; 77 million saw their income increase; 64 million achieved greater market access; and 38 million strengthened their resilience.

Excellencies, ladies, and gentlemen,

It will be up to President-elect Lario to work closely with you to shape IFAD's work in the years ahead. And I have no doubt that he will enjoy the same unwavering support that I have had from you.

Please allow me, at my last Governing Council, to share with you my dream that IFAD will continue to be the leading institution focused on the world's poorest communities in the poorest countries. I see IFAD staff continuing to be present in these communities, even closer to those we serve, living and working among them to obtain a better sense of their needs and how best to respond to them. I see an agency whose employees are driven by passion and commitment, who don't consider IFAD's mandate a job, but rather a mission.

I know that you, Excellencies, ladies and gentlemen, share a commitment to a bright future for IFAD. And that whatever form it takes and whatever changes are in store, this institution will continue to offer the poorest not only hope but the resources to build on their dreams.

In fact, I am very hopeful! Indeed, the world has made progress in recent times! Since the 1950s, life expectancy has risen from 45.7 to 72.6 years. Undernourishment fell to 9.8 per cent in 2021 from 15 per cent in 2000. Child stunting has declined to 22 per cent from 33.1 per cent. In 2020, 61 per cent of countries were democracies compared with 41.5 per cent in 1950; the proportion of people living in extreme poverty dropped from 63.5 per cent in 1950 to just under 9 per cent in 2017; 100.6 million children were not enrolled in primary education in 1990, compared to 62.8 million in 2019.

Yet, as we all know too well, there is still much to do. The SOFI report, unveiled just yesterday, reminds us that up to 828 million people are still undernourished. Meanwhile, the numerous war zones around the world and the threat to multilateralism are a reminder that progress in peace and the social gains of the past 50 years are precarious, and that we must still overcome significant barriers to social and environmental justice.

I thank all of you who, in your regular endeavours, are fighting for a just world; you, who are putting a smile on the face of all children, including those in war-torn areas; you, who are ensuring that there is food on the tables of the "have-nots" and hope for youth in the most remote corners of the world; and you, who are putting your own lives at risk to save others.

By working together, we shall overcome. May the Grace of the Almighty be upon you all.

Thank you.

Statement by the representative of the Kingdom of Norway, on behalf of List A

Dear Mr President-elect,

Allow me to express my warmest congratulations to you on behalf of List A. Let me also thank the other candidates for their willingness to dedicate themselves to the cause of IFAD at such an important moment. We wish you all the best for the future.

Mr Lario, you will only have a few weeks to prepare for your new important task. Given the unfolding food crises, as highlighted in the SOFI report, you will be busy from the first day in office. We need you and your Management team to mobilize global action and resources as never before. You will be able to build on a strong basis laid out by President Houngrigbo and his team and the dedicated staff. You must consolidate IFAD by implementing reforms and decisions taken in the Council and the Board. At the same time, you will have to mobilize more funds through IFAD13, particularly for the poorest and most fragile countries. Their decentralization process must go on and IFAD's success depends on a good working environment and motivated staff. List A will support you and play a constructive role in the Board. We will continue to push for IFAD to be best in class on gender equality, climate change, biodiversity and many other topics. We will support IFAD to remain the number one development agency on result, effectiveness and quality. We do that because we believe in IFAD's mandate and we believe in IFAD's staff and we believe in you, Mr Lario.

Let me end by thanking the Secretariat for their hard work in preparing the election and the tellers for their important work today.

Statement by the representative of the Bolivarian Republic of Venezuela, on behalf of List B

I have the honour of delivering this statement on behalf of the Member States of List B.

I would like to thank the four candidates for having put their names forward for this organization and for having shown such flexibility. In particular, I would like to thank Dr Pattanayak for his flexibility, which has made it possible for us to conclude this session successfully.

I would also like to congratulate Dr Alvaro Lario and would like to wish him every success in his leadership. We are sure that your success will be the success of this organization, an organization that we all feel very much a part of.

I would also like to recognize the work and the great service of Mr Gilbert F. Hougbo wishing him every success in his new role and we are sure that he will be successful there too.

I would also like to thank you, Chairperson, for your leadership that has made it possible for us to conclude this session today.

Finally, I would like to thank Mr Luis Jiménez-McInnis and all the IFAD staff for their work, for their commitment and for all the preparation that has gone into this special session that is crowned today with this result, which has enabled us to have a President. I would also like to thank the tellers too for their important work.

Statement by the representative of the United Mexican States, on behalf of List C

President Houngbo,

Thank you for all the services that you have provided to IFAD. We wish you all the very best in your new endeavours. I would like to thank you personally for your friendship.

President-elect Lario, excellencies and friends,

Speaking on behalf of List C, I would like to start by thanking all the candidates who presented their candidacy for the presidency of IFAD. I want to especially thank all of them who have shared with us their vision and ideas for the future of this organization. We are sure that the process that we have concluded will make this organization better.

A special thanks to Dr Pattanayak and the Republic of India for allowing us to reach an exemplary conclusion to this process.

President-elect Lario,

On behalf of List C, I would like to express our congratulations for your election as the new President of IFAD. You have been entrusted with a great responsibility and the hope of millions of smallholder farmers and rural dwellers is now on your shoulders. List C would like to reiterate our commitment to work together and to continue to build bridges that make our world a better place for us, for our children and for our grandchildren. We hope that during your presidency, you continue to pursue the goals of universality, inclusion, transparency and accountability, but especially, we hope that your leadership will move this institution forward without any type of exclusions and with total integrity.

List C wishes you a very successful tenure and we stand ready to support you, to work with you and we sincerely hope that the voices of those who are most in need continue to guide your aspiration and your work.

Let me end by thanking the Secretariat and all IFAD staff members for their work in this selection.

Closing remarks by the Chair of the first special session of the IFAD Governing Council, His Excellency Oscar Miguel Graham Yamahuchi

Distinguished delegates,

It has indeed been a privilege to have presided over this historical first special session of the IFAD Governing Council.

There are few decisions as important as choosing the leader of an organization. In Dr Alvaro Lario, we have collectively placed our trust and our hopes for a better future for IFAD and most importantly for IFAD's beneficiaries: the poor rural women, men and children that we serve.

Dr Alvaro Lario, the road ahead is not easy. There are many challenges to face – climate change, conflict, fragility, growing inequality, to name but a few. We must not be discouraged. We must look to our mutual goal and work together towards a just world, where extreme poverty, food insecurity and marginalization are a thing of the past.

President Houngbo, I am sure I speak on behalf of my fellow Bureau members and Governors when I express our sincere appreciation for your leadership over the past five years. We wish you every success in the future.

Last, but definitely not least, distinguished delegates, our thanks must go to the IFAD staff who have worked tirelessly to make this special session a reality. To the Secretariat, the technical staff, the messengers and the interpreters who facilitated our communication; to each and every one of you, I convey our deepest gratitude.

Ladies and gentlemen, I understand that the President has graciously invited us to join him for a reception in the foyer and I look forward to seeing you there.

Once again, I thank you for your support and I now declare the first special session of IFAD's Governing Council closed.

The annexes can be viewed through the hyperlinks provided below.

Annex I [Agenda](#)

Annex II [Resolution adopted by the Governing Council at its first special session](#)

Annex III [Delegations at the first special session of the Governing Council](#)

Annex IV [List of documents placed before the first special session of the Governing Council](#)