

Consultation on the Twelfth Replenishment  
of IFAD's Resources  
Third Session

Opening Statement by  
President Gilbert F. Houngbo

IFAD headquarters,  
Rome  
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Distinguished delegates,

Welcome to this third session of the Consultation on the Twelfth Replenishment of IFAD's Resources (IFAD12).

Allow me to start by expressing our appreciation and thanks to the Deputy Secretary-General, Amina Mohammed for having allocated time to addressing us so early in New York time. I sincerely want to thank you for your leadership as well, not only in working towards the Sustainable Development Goals but also in the Food Systems Summit, in which the Rome-based agencies are heavily engaged.

Permit me also to express our appreciation to Mr Marwan Al-Ghanem, Deputy Director-General for Operations of the Kuwait Fund for Arab Economic Development and Alternate Governor for Kuwait, who we will hear from a little later today.

Tomorrow we will be hearing from Esther Penunia, the Secretary-General of the Asian Farmers' Association and last, but not least, Ms Jaron Porciello, co-Director of CERES2030 and Associate Director for Research Data Engagement, Department of Global Development at Cornell University College for Agriculture and Life Sciences.

Let us also take a moment, as mentioned by the Deputy Secretary-General, to recognize the Nobel Prize awarded to our colleagues in the World Food Programme. I would like to reiterate our congratulations to them and say how pleased we are to see their hard work recognized. As I told David, it was very good to see him speechless for once.

I believe this prestigious award is a signal that the world recognized that even at a time of global pandemic, we must not turn away from the millions of women, children, and men who face hunger and poverty every day.

Ladies and gentlemen,

At the same time, rates of hunger and chronic under-nourishment are being pushed higher by the pandemic and the impact of climate change. Estimates indicate that an additional 132 million people will go hungry this year, bringing the total to more than 820 million.

Despite the challenges, we can still achieve zero hunger by 2030, but it will take commitment and action. The CERES2030 report, released just last week, indicates that Sustainable Development Goal 2 can be reached if donors increase their support by US\$14 billion a year until 2030. This means roughly doubling the annual amount of aid for food security and nutrition.

Colleagues,

This is our last meeting until the pledging sessions in December and possibly in February next year. This is the moment when we must ask ourselves: What does success look like? What does IFAD12 success look like? What must we achieve in this replenishment to guarantee that success?

In the context of the COVID-19 pandemic, climate change and increasing rates of hunger and poverty, we need to make a fundamental decision. Will IFAD expand its programme of work, keep it at the same level, or reduce it? When all countries, development partners and rural people themselves are asking us every day to do more, we will need to decide what message to send the world. We have to be in a position to do more.

The answers to these questions will become apparent over the coming days, as we focus our attention on reaching consensus on several agenda items. I am pleased to note that discussions are well advanced with regard to the building blocks of IFAD's graduation

approach. I would like to urge all of us to do our very best to reach an agreement around the latest draft, which was recently circulated to you all.

With regard to the target of this replenishment, if we agree on scenario E, with US\$1.75 billion in new financing, this will mean US\$4 billion in our programme of loans and grants. It will also mean that we will crowd in billions more in cofinancing, including from the private sector. Under scenario E, which is consistent with doubling our investment by 2030, IFAD will make a tangible contribution to achieving Sustainable Development Goal 2.

It is important that I remind you that scenario E is the only scenario that will allow IFAD to increase its support to the poorest countries in debt distress from roughly US\$600 million to US\$690 million. Even with this increase, the average allocation per country to Debt Sustainability Framework countries may go down, given the current risk of new countries falling into debt distress.

It is also important to stress that even with the US\$1.75 billion in scenario E, the US\$4 billion programme of loans and grants we are referring to only happens if we are able to borrow US\$1 billion. This in itself is a huge undertaking for which we need the approval of the Integrated Borrowing Framework

I recognize that IFAD's "ask" is not small. But in the context of global aid, it is also not so very large. And it is not one-sided. We are not only asking more of you, we are asking more of ourselves.

In IFAD12, we will push ourselves even harder. We will increase our targets and incorporate additional indicators to measure impact in our mainstreaming areas, including more ambitious indicators for climate finance, gender transformation and youth employment. We will expand our presence in the field from 33 to 45 per cent of staff, and we will continue our efforts to keep improving productivity and efficiency, and increasing our non-lending activities on the ground. Overall, we aim at increasing our value for money. In the end, what we are able to achieve will be determined by the decisions we will make in the upcoming days.

Ladies and gentlemen,

Before closing, let us remember that it costs less to invest in long-term resilience and sustainability than it does to respond to repeated emergencies and crises. That is why the Sustainable Development Goals exist. Let us do our best to deliver on them.

Thank you.