



Investing in rural people

IFAD14

Investing in rural people

Driving food security,
economic growth
and stability

7–8 May, Rome, Italy



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01

**Why IFAD and
why now**

Slides 3-4

02

**An institution
ready to deliver**

Slides 5-6

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The IFAD14 Offer

Slides 7-12

The global context requires a focused response

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Constraints

Only **4-5%** of ODA reaches agriculture

70% of food insecure live in fragile contexts

1.2 billion young people – 90% in developing countries

10-25% of global crop yields at risk without adaptation



Opportunities

Global food demand projected to rise by up to **56%** by 2030

Small-scale farmers produce **70%** of food consumed in LICs & LMICs

Targeted rural investment could create over **120 million** jobs

Sustainable food systems could generate up to **US\$4.3 trillion** in health, economic and environmental benefits by 2030

IFAD is the IFI of the first mile

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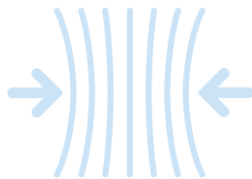
Investment, aligned with first-mile needs, unlocks rural opportunity at scale.

Relevance



Investing where **poverty, fragility** and **food insecurity** are highest

Reach



Investing at the **first mile** where others don't operate

Results



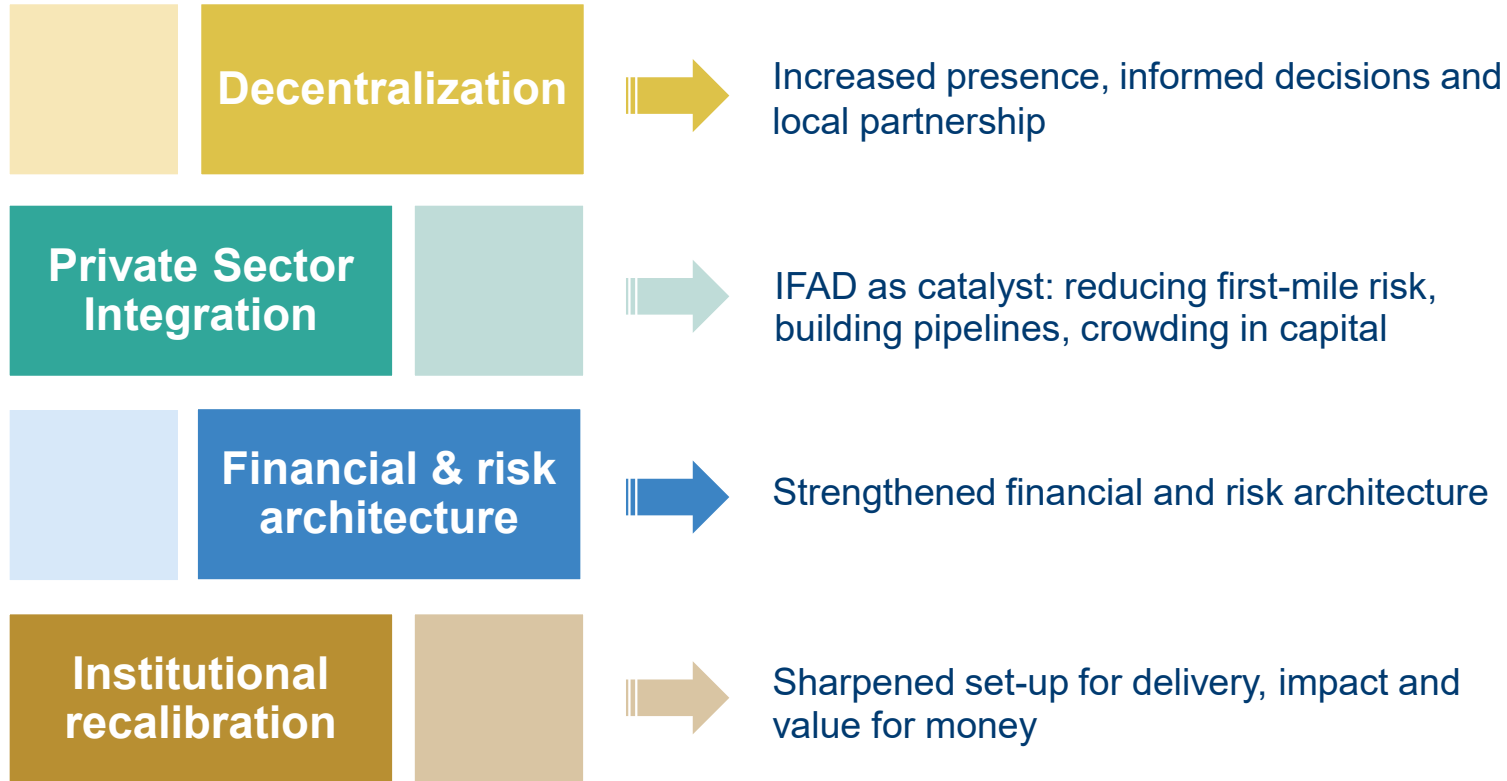
Delivering proven **impact at scale.**

Resources

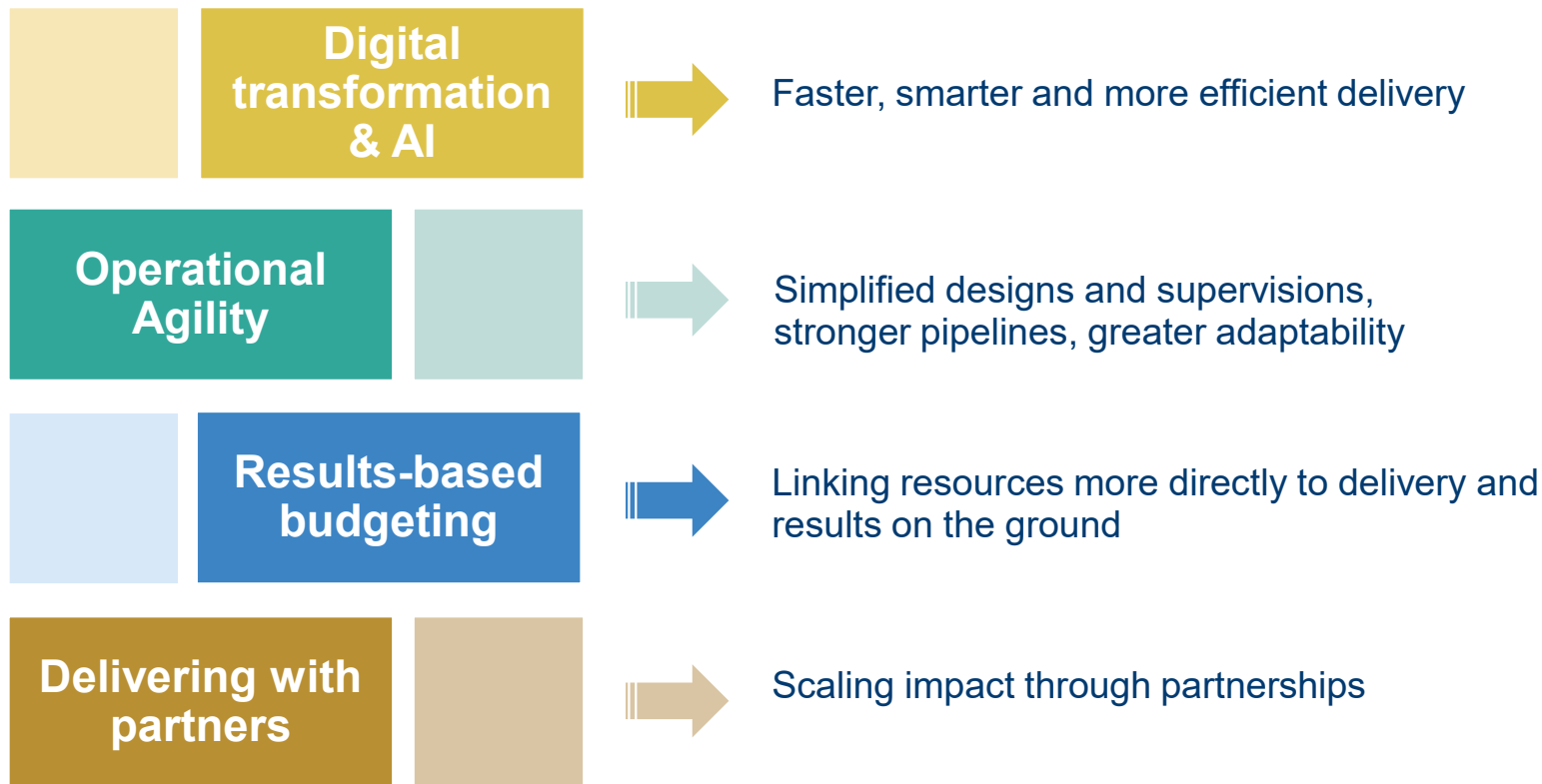


Translating every dollar contributed by Members into **US\$6 dollars of investment on the ground.**

IFAD14 builds on an evolved institutional architecture



IFAD14 executes through strengthened delivery



From priorities to delivery

The IFAD14 framework

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3 PILLARS boost opportunities...



Markets

Unlocking rural potential



Rural employment

Empowering the youth



Resilience

Building peaceful, adaptable rural communities

2 ENABLERS drive scale...

Private sector development and investment

Innovation

1 INTEGRATED & DIFFERENTIATED DELIVERY model...

Investing in rural people for food security, economic growth and stability

Pillar 1: Markets

Unlocking rural potential



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WHY THIS MATTERS

Weak market access and low productivity limit returns

<20% of retail price reaches farmers

~70% of agrifood MSMEs lack adequate access to finance

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Strengthened market systems:

- Enhancing productive capacity
- Post-production and market infrastructure
- Finance and Financial Services
- Skills, knowledge and organizational capacity
- Enabling environment
- Nutrition-sensitive market design

EXPECTED SHIFTS

- ✓ **Higher and more stable incomes**
- ✓ **More value retained locally**
- ✓ **More inclusive and reliable market systems**

Pillar 2: Rural employment Empowering the youth



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WHY THIS MATTERS

Limited **employment** and **business opportunities** fuel exclusion and migration

90% of the world's 1.2 billion young people live in developing countries – mostly rural

In LICs, less than **20%** of young people are in regularly paid employment

IFAD14 FOUNDATIONS

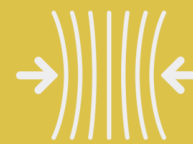
Pathways for employment:

- Skills and entrepreneurship development
- Finance for rural enterprises and workers
- Enterprise development services and rural business ecosystem
- Market linkages and value chain integration
- Addressing barriers for youth, women and marginalized groups

EXPECTED SHIFTS

- ✓ More **productive and higher paid work**, particularly for youth and women
- ✓ A **stronger rural enterprise** base
- ✓ Employment as **driver of stability**

Pillar 3: Resilience – Building peaceful, adaptable rural communities



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WHY THIS MATTERS

External shocks and fragility erode rural livelihoods

70% of acutely food insecure live in fragile contexts

Without adaptation, global crop-yields could decline by **10-25%** by 2050

Every **US\$1** invested in prevention and resilience can save up to **US\$16** in crisis response

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Embedding rural resilience:

- Climate-resilient agricultural practices
- Natural resource management and ecosystem restoration
- Risk management & financial protection
- Fragility-sensitive programming
- Climate information services and early warning
- Community institutions and social cohesion

EXPECTED SHIFTS

- ✓ Development gains **protected from shocks and stress**
- ✓ Rural communities **more stable and able to recover**
- ✓ Rural investment **contributes to stability**



Enabler 1: Private Sector development and investment

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WHY THIS MATTERS

The **Missing Middle**
Investment gap in
MSMEs

Public finance alone cannot meet rural investment needs

*Projects with active private sector engagement generate **four-times higher** income gains*

IFAD14 APPROACH

Integrated Sovereign and Non-Sovereign Operations

Complementary approach to make first mile markets investable and sustainable

Sovereign Operations

Strengthen public sector conditions to enable greater private sector investments and engagement

Non-Sovereign Operations

Catalytic finance directly to rural enterprises and intermediaries

EXPECTED SHIFTS

- ✓ **More private capital** flowing to the **first mile**
- ✓ **A stronger and more inclusive** rural enterprise base
- ✓ **Impact that endures**



Enabler 2: Innovation as a driver of scalable impact

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WHY THIS MATTERS

Access to and adoption of innovations remains limited

Innovation *directly* improves *productivity, incomes and resilience*

*More than **90%** of people live in reach of a mobile network*

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Moving from piloting to adoption:

- Connecting research, local innovation and proven solutions with deployment
- Embedding digital tools and AI across operations
- Context-sensitive piloting and learning
- South-South and Triangular Cooperation

EXPECTED SHIFTS

- ✓ Reaching **further with the same resources**
- ✓ **Adopting proven solutions** at the institutional level
- ✓ **Improved** productivity, market access and resilience



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www.ifad.org