



Enabling poor rural people  
to overcome poverty

**Fourth United Nations Conference on Least Developed  
Countries (LDC-IV)  
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Statement by the International Fund for Agricultural Development  
(IFAD)

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Mr President,  
Your Excellencies,  
Ladies and Gentlemen,

I am honoured to have the opportunity to address the Fourth United Nations Conference on Least Developed Countries on behalf of the International Fund for Agricultural Development (IFAD)

The past decade has brought positive changes both in terms of economic growth and human development in many least developed countries (LDCs). Yet, despite these successes the number of people living in extreme poverty has continued to increase, and today there are more than 350 million people in LDCs living on less than \$1.25 a day. With 70 % of their populations living far away from urban centers, many LDCs are still heavily rural and dependent on agriculture as an engine of growth, employment, income and food security. At IFAD, we believe that the potential of agriculture and rural development to contribute to poverty alleviation and economic growth in the LDCs cannot be overstated.

Persistently high levels of undernutrition and costly food import bills are graphic evidence of the need to improve agricultural production and productivity in LDCs. Yet, LDCs are caught in a serious dilemma. Although they are rich in natural and human resources, their agricultural productivity has remained virtually static since the 1980s, and many LDCs do not grow enough food to feed their own populations. Globally, hunger and extreme poverty are most widespread in rural areas of LDCs, most often affecting the very people whose livelihoods depend on agriculture.

In many LDCs, smallholder agriculture – farms of 2 hectares or less -- is the key to food security and poverty-reducing economic growth. A large percentage of smallholders are women. On average, women make up 50 per cent of the agricultural labour force in parts of Asia and sub-Saharan Africa, regions that are home to a large number of LDCs.

Mr. President,

In 2001, the international community endorsed the Brussels Programme of Action, which set out a framework to foster global partnerships for sustained economic growth and sustainable development in LDCs. But the world of 2011 is quite different from the world of 2001 and the challenges and opportunities have changed

dramatically. Several LDCs have made notable progress in reducing poverty and promoting development, but more needs to be done -- and it needs to be done differently.

Global demand for agricultural commodities has increased significantly as a result of population growth, expanding urbanization, and rising incomes. Consequently, demand for the land and water resources needed to produce those commodities has grown as well. At the same time, climate change and environmental degradation are undermining the ability of farmers' to increase production. Poor rural people are facing an increasingly complex risk environment with which they have to cope. In contrast to 2001, national and international attention today is sharply focused on agriculture and food security, prompted by the persistence of high and volatile food prices. This attention and concern provides an enabling environment for action.

Agriculture can provide a robust pathway out of poverty, but only if small-scale agriculture becomes more productive and environmentally sustainable, on the one hand, and more market oriented and resilient, on the other. In many cases, smallholders will only gain access to new opportunities if they can join forces with others in strong producer organizations.

Agriculture also serves as a key driver of non-farm economic development and poverty reduction in rural areas in LDCs. Participation in the rural non-farm economy is becoming an increasingly important route for poor rural people to manage risks and increase household incomes. A focus on the non-farm rural economy also serves to establish more effective economic linkages between rural and urban areas.

Many LDCs are taking steps to transform their agricultural sectors by giving higher priority to the development of small-scale agriculture. We commend their resolve and call on all partners to support the efforts of LDCs to enhance their food security and promote rural development and growth.

Mr. President,

At IFAD, LDCs are a priority and our support for smallholder agriculture has yielded insights and lessons that we want to share with you today to inform concise action for agriculture and rural development by all partners:

- **Higher production and productivity leads to higher incomes**, which equal more meals a day, new homes, and better education and health for families, particularly children. But to achieve this, smallholder farmers need to have better access to inputs that are vital for growing more food, such as seeds and fertilizer.
- **Women's roles as agricultural producers, entrepreneurs, and managers of natural resources need to be recognized** in national development and food security strategies. To accelerate results, policies and investments need to give priority attention to gender equality and women's empowerment in agriculture and rural development.
- **Access to markets, financing and technology are key** because without more and better roads, storage facilities, and transportation, produce will not reach the consumer but go to waste on the farm. Improved technology and know-how, financing and rural infrastructure are vital components of a vibrant rural economy.
- **With land and water resources becoming scarcer, it is essential to protect and manage natural resources.** There is growing competition for the use of these resources in the face of widespread environmental degradation. Smallholder producers need to be supported in natural resource management and sustainable agricultural techniques that enhance their resilience to the effects of climate change.
- **Poor rural people are agents of change.** Poor people must not be treated as victims, in need of charity or endless handouts. Poor people want to build better lives for themselves and their families, and what they need are opportunities and tools to take advantage of opportunity. Producer and other community-level organizations that strengthen the collective capabilities of smallholder farmers are essential for unlocking new market opportunities.
- **The future of agriculture lies with rural youth.** Young people make up a large part of the population in all LDCs. We must make rural areas vibrant and attractive to young people by investing in the rural space, including non-farm activities.

A large-scale and lasting transformation of agriculture and the rural economy in LDCs will require a momentous change in **commitment**



**to agricultural** and rural development in LDCs. Here are some of the elements.

- LDCs need to adopt comprehensive **agricultural development and food security investment plans** that are fully integrated with development priorities.
- **Investment** in agriculture needs to increase. We welcome the commitment made by LDCs to increase spending on agriculture to at least 10% of national budgets.
- Donors need to ensure that their **development assistance** is targeted to agriculture and rural areas.
- After years of decline, development assistance to agriculture has finally started to increase again, but we remain far short of the pledges made at the Aquila meeting of the G8 in 2009. We must ensure that the initiatives of governments and the private sector are matched by **renewed efforts by their development partners** to mobilize investments for agriculture.
- Finally, we need to recognize the global nature of food markets and create a level playing field by ensuring more open **access to markets** in wealthier countries for producers in LDCs.

Mr. President,

In conclusion, let me say that when we gather in ten years to review progress in the implementation of actions that are agreed during these days in Istanbul, I hope we will be able to report that changes for the better were achieved in the rural areas of LDCs. Let us be able to celebrate the fact that the people who till the soil and struggle to feed their children and themselves are better off because of actions that were set in motion here. For their sake, and for ours, we cannot afford to miss this opportunity to improve the lives of millions of rural men, women and children. We at IFAD stand ready to work with all of you toward this goal.

Thank you.