



Enabling poor rural people  
to overcome poverty



IFAD AT  
A GLANCE

# IFAD's purpose

The objective of the International Fund for Agricultural Development is to mobilize resources for agriculture and rural development in developing countries. IFAD's goal is to empower poor rural women and men to achieve higher incomes and improved food security. IFAD also acts as an advocate for poor rural people. Our multilateral orientation provides a strong global platform for discussing rural policy issues and increasing awareness of why investment in agriculture and rural development is critical to reducing poverty and improving global food security.

## Where we work<sup>1</sup>

- Sub-Saharan Africa: 40 countries with 113 ongoing programmes and projects
- Asia and the Pacific: 18 countries with 58 ongoing programmes and projects
- Latin America and the Caribbean: 19 countries with 30 ongoing programmes and projects
- Near East, North Africa, Central Asia and Eastern Europe: 14 countries and one territory with 33 ongoing programmes and projects

## How we work

**Partnerships** are IFAD's main mode of operation. The Fund is, in fact, a unique partnership of members of the Organization of the Petroleum Exporting Countries (OPEC), other developing countries, and member countries of the Organisation for Economic Co-operation and Development (OECD). IFAD works with developing country governments, poor rural people's organizations, non-governmental organizations and the private sector to design innovative programmes and projects that fit within national priorities for agriculture and rural development. We also work closely with other multilateral financial institutions and United Nations agencies, especially our sister Rome-based agencies – the Food and Agriculture Organization of the United Nations and the World Food Programme. And we have been expanding our partnership strategy to involve the private sector in providing agricultural production, processing, marketing and financial services to the smallholder farming sector.

<sup>1</sup> As of 31 December 2010.

# Major achievements

## Agricultural production and productivity

Helping farmers increase agricultural production and productivity is a priority of many IFAD-supported projects. Long-term improvements in these areas can only be achieved by managing land, water and natural resources sustainably. IFAD also works to develop markets for environmental goods and services.

Results reported in 2010 include:

- 4 million people trained to use improved agricultural practices and technologies
- 5 million hectares of common-property resource land under improved management
- 21,000 kilometres of roads constructed or repaired
- 28,000 marketing groups formed or strengthened
- 277,000 people trained in business and entrepreneurship
- 1,169,000 people trained in community management

## Rural finance

Most of the world's 1.4 billion very poor people live in uncertain conditions, without the security of reliable income, shelter or food. Being able to save or borrow small amounts of money can make a big difference in their lives. IFAD is one of the world's largest lenders supporting rural finance for poverty reduction. IFAD's Rural Finance Policy ensures that each rural financial intervention funded by IFAD supports the diverse needs of poor rural people.



Results from ongoing projects include:

- 29 million borrowers from IFAD-assisted microfinance institutions
- US\$200 average loan size
- 14 million voluntary savers
- US\$127 average savings
- Women accounted for 83 per cent (or 24 million people) of active borrowers served by IFAD-supported microfinance institutions
- A new Climate Change Strategy will help IFAD ensure that its investments are climate-smart and that smallholders benefit from climate financing to build their resilience to increasing and new climate threats

## Targeting

Poor rural women not only face the same constraints as men – such as inadequate access to capital, markets and services – they also do extra chores such as gathering firewood, collecting water, washing clothing and tending to children. Women are also often responsible for farm work and earning cash. As a result, women frequently have 16-hour work days, much longer than men's. In many rural societies, women have weak land rights, or are denied rights entirely, resulting in increased poverty for themselves and their families. IFAD recognizes that there will be no substantial progress in poverty reduction unless there is greater investment in and focus on women.

Indigenous peoples account for an estimated 5 per cent of the world's population, but are 15 per cent of the people living in poverty. To reach them requires tailored approaches that respect their values and build on their strengths. IFAD's targeted, participatory approach to grass-roots rural development and its experience in empowering poor people and communities give the Fund a comparative advantage in working with indigenous peoples, even in the most remote rural areas.

In 2010:

- About half of all IFAD project participants were women
- In the context of the Farmers' Forum, IFAD hosted a special session with women farmers from around the world on how to promote women's leadership in rural farmers' and producers' organizations
- IFAD co-published *Lightening the load* to highlight labour-saving technologies and practices for rural women

## Building institutions

IFAD recognizes that, to be sustainable, development cannot be imposed from outside, but must come from within the country itself. To this end, IFAD is increasing its country presence to promote country ownership, leadership and accountability. It is doing so by strengthening national and local capacities and skills (including those of rural communities and civil society organizations) for the design and management of agricultural and rural development strategies and programmes.

The programmes and projects we finance are tailored to support national policies, working closely with agriculture and finance ministries and related institutions to ensure that their support reaches small farmers and that public spending for agriculture reaches the poorest people.

## Impact of IFAD's investment

The Fund has:

- Mobilized close to US\$20 billion in cofinancing and funding from domestic sources for rural development, in addition to IFAD's contribution of more than US\$12 billion in loans and grants
- Supported 860 programmes and projects in 116 countries and one territory
- Empowered some 370 million people to grow more food, better manage their land and other natural resources, learn new skills, start small businesses, build strong organizations and gain a voice in the decisions that affect their lives



## What is IFAD?

IFAD is an international financial institution and a specialized United Nations agency dedicated to eradicating poverty and hunger in rural areas of developing countries. IFAD provides low-interest loans and grants to developing countries to finance innovative agricultural and rural development programmes and projects. It is among the top three multilateral institutions working in agriculture in Africa. In 2010, the largest share of new IFAD financing went to sub-Saharan Africa.

The decision to create IFAD was made in 1974 in the wake of the great droughts and famines that struck Africa and Asia in the preceding years. World leaders at the 1974 World Food Conference agreed that "an international fund ... should be established immediately to finance agricultural development projects".

IFAD has a total membership of 165 countries from around the world including OPEC and OECD members, and developing and middle-income countries.

IFAD brings the point of view of smallholder farmers and rural entrepreneurs to bear on international policy deliberations, and builds their capacity so that they themselves can engage in and influence relevant policy processes.

IFAD has its headquarters in Rome, Italy.



International Fund for  
Agricultural Development  
Via Paolo di Dono, 44  
00142 Rome, Italy  
Telephone: +39 06 54591  
Facsimile: +39 06 5043463  
E-mail: [ifad@ifad.org](mailto:ifad@ifad.org)  
[www.ifad.org](http://www.ifad.org)

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