



Enabling poor rural people  
to overcome poverty

A summary of  
**IFAD's Strategic Framework**  
2007–2010



# IFAD enables poor rural people to overcome poverty

IFAD is an international financial institution and a United Nations specialized agency dedicated to eradicating poverty in the rural areas of developing countries where the majority of the world's poorest people live.

Our focus is on poor, marginalized and vulnerable rural people. They are small farmers, landless people, labourers, herders, artisanal fishers and small-scale entrepreneurs who depend on agriculture and related activities to survive. We give special attention to gender differences and to empowering women, who account for a disproportionate number of the world's extremely poor. We recognize the particular needs of indigenous peoples and ethnic minorities, especially in Latin America and Asia.

## **IFAD's Strategic Framework charts our new directions for 2007 to 2010**

IFAD's Strategic Framework defines how the organization contributes to achieving the Millennium Development Goals during the period 2007 to 2010. It describes our goal and objectives, the results we strive to achieve, the principles that guide our decisions and actions, and the strengths we apply in partnership with others to enable poor rural people to

overcome poverty. It charts IFAD's new directions and new ways of working in response to the needs of poor rural people in a rapidly changing world. It reflects our response to the evolving international development agenda and the need for increased and more effective investment in reducing rural poverty and hunger. Its purpose is to ensure that IFAD delivers the greatest possible impact for poor rural people.

This summary outlines the key features of IFAD's Strategic Framework. To learn more about IFAD's strategic directions and to read the full document, visit [www.ifad.org](http://www.ifad.org).

## **A successful global alliance of developed and developing countries dedicated to eradicating rural poverty**

IFAD was established in 1976 as a global partnership between OECD and OPEC members and other developing countries. IFAD mobilizes resources from its 165 member countries to provide low-interest loans and grants to middle and lower-income members to finance poverty reduction programmes and projects in the world's poorest rural communities. Our development agenda is established and driven by our diverse membership.



We also work with a range of partners in the international development community, including other United Nations agencies, to increase the effectiveness of global development efforts. Our many other partners in countries and communities include governments, non-governmental organizations, community-based organizations and poor rural people themselves.

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 meeting the Millennium Development Goals.

### **IFAD's role and focus**

IFAD has 30 years of experience working with the world's poorest and hardest-to-reach rural communities. We have maintained a consistent focus on agriculture and rural development, even when overall aid to those areas was declining. In a world where the majority of poor people will live in rural areas for at least another 30 years, IFAD works with poor rural men and women to develop locally specific opportunities that enable them to thrive economically in their own communities.



IFAD has a comparative advantage in three broad areas.

We work with national partners to design and implement innovative programmes and projects that fit within national policies and systems. These initiatives respond to the needs, priorities, opportunities and constraints identified by poor rural people.

We enable poor rural people to access the assets, services and opportunities they need to overcome poverty. We also help them build their knowledge, skills and organizations so that they can lead their own development and influence the decisions and policies that affect their lives.

We test new and innovative approaches to reducing poverty. We share our knowledge widely and work with our member countries and other partners to replicate and scale up successful approaches.

### **Meeting the challenges of rural development in a rapidly changing world**

Three quarters of the world's one billion extremely poor people live in rural areas. They are landless people or farmers whose plots are too small to provide for their needs. They lack access to the land,

water, financial resources and agricultural technologies and services they need to farm productively. They also lack access to markets and opportunities for enterprise that could help them increase their income. Above all, they lack the organizational power and influence required to advocate for their own needs and take advantage of emerging opportunities. Women are usually the most disadvantaged.

Worldwide changes in agricultural marketing systems and production technologies are opening opportunities for some small farmers in developing countries. But the poorest and most marginalized rural people rarely benefit. At the same time, they face new and growing challenges that make them all the more vulnerable to poverty, hunger and displacement and their world more uncertain.

Climate change, for example, will hit the poorest and most vulnerable people hardest. IFAD works with poor rural people to help them manage their land and other natural resources in ways that can mitigate the impact of climate change. We also work with United Nations and other international partners to address the wider challenges posed by climate change.

Other major challenges poor rural people face include conflict, environmental degradation, biofuels and the scourge of HIV/AIDS.



Today, governments, civil society and international organizations are united in their commitment to achieving the Millennium Development Goals. Countries worldwide are applying poverty reduction strategies to achieve them. The international community is better coordinating its development efforts and improving the way aid is delivered through the Paris Declaration's commitment. The United Nations' reform process is encouraging agencies to work together as coherent teams in developing countries.

Despite this progress, more needs to be done to improve the ability of national governments and the international community to meet the needs of poor rural people. Agriculture and rural development are yet to be fully addressed in many national poverty reduction strategies. In many developing countries, agriculture ministries have only limited capacity to carry out crucial policy reforms. And, while poor rural people are finding their voice through stronger organizations, they are still far from being equal partners in shaping the policies that affect their livelihoods. IFAD recognizes these challenges and through the implementation of its Strategic Framework will better meet the needs of poor rural people today and tomorrow.



# Highlights of IFAD's Strategic Framework

## Goal

Poor rural women and men in developing countries are empowered to achieve higher incomes and improved food security.

## Objectives

To ensure that poor rural people have better access to, and the skills and organization they need to take advantage of:



<b>Natural resources, especially secure access to land and water, and improved natural resource management and conservation practices</b>	<b>1</b>	<b>Improved agricultural technologies and effective production services</b>	<b>2</b>	<b>A broad range of financial services</b>	<b>3</b>	<b>Transparent and competitive markets for agricultural inputs and produce</b>	<b>4</b>
							





## Results

Participants in IFAD-supported agriculture and rural development programmes and projects have increased productivity and incomes, and better food security.

Countries have stronger capabilities to reduce rural poverty through:

- ▶ enabling policy frameworks, including poverty reduction strategies and sector policies that respond to the needs of poor rural people
- ▶ efficient government institutions that focus on poverty reduction
- ▶ strong organizations of poor rural people
- ▶ increased private sector investment in rural economies
- ▶ enhanced capability of governments, non-governmental organizations, the private sector and organizations of poor rural people to develop and implement rural poverty reduction programmes

**Opportunities for rural off-farm employment and enterprise development**

**5**

**Local and national policy and programming processes**

**6**



# Principles of engagement

## **Focused and selective**

We focus exclusively on our strengths in agriculture and rural development. We work to create better economic opportunities for poor rural people, particularly in the areas of agricultural production and marketing.

## **Targeted**

We target poor, marginalized and vulnerable rural people who have the capacity to take advantage of the economic opportunities offered by IFAD-supported programmes and projects. We give special consideration to gender differences, and focus on women. We recognize the particular needs of indigenous peoples and ethnic minorities, especially in Latin America and Asia.

## **Empowering**

We empower poor rural women and men to take advantage of economic opportunities and achieve higher incomes and better food security for themselves. We do this by building their individual capacities and helping them develop and strengthen their own organizations and communities.

## **Innovative**

We encourage innovation and test new approaches. We work with governments and other partners to learn from experience, and replicate and scale up successes.

## **In partnership**

We work systematically with partners to solve problems and deliver results. Our key partners are developing country governments, poor rural people and their organizations, non-governmental organizations and the private sector. We also work with partners in the international development community, combining the best available skills and knowledge to develop new and innovative solutions to rural poverty.

## **Sustainable**

We design and manage programmes and projects for quality, impact and sustainability, following the lead of partner governments to ensure coherence with national policies and strategies. We are committed to ownership and leadership by governments and poor rural people themselves.





Successful approaches to eradicating rural poverty combine national leadership and increased resources with policies that address the specific obstacles that poor rural people face.





Poverty can't be solved simply by developing new economic opportunities outside rural areas. It must also be addressed within rural areas themselves by focusing on agriculture – the basis of most poor rural people's livelihoods.

## IFAD is increasing its development effectiveness

IFAD is a signatory to the 2005 Paris Declaration on Aid Effectiveness and is firmly committed to its implementation. We are also participating fully in the United Nations reform process.

We are meeting the challenge of increasing our development effectiveness by using the Managing for Development Results approach in the projects and country programmes we support, and within IFAD itself, to:

- ▶ ensure our programmes fully support national development priorities
- ▶ strengthen collaboration with our member governments and partners to create enabling policy environments to eradicate rural poverty
- ▶ improve the sustainable impact of our operations and ensure they are on the cutting edge of good practice
- ▶ test and apply new and innovative approaches to reducing poverty
- ▶ improve our ability to transform experience into knowledge and to share our knowledge with our partners
- ▶ align our human and financial resources with our strategic priorities
- ▶ establish integrated systems for planning, managing, measuring and reporting on results
- ▶ contain administrative costs and explore options for sharing services with other Rome-based United Nations agencies





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