Colleagues,

Ladies and gentlemen,

My colleagues Director General Graziano da Silva and Executive Director Beasley have already highlighted the outcomes of the SOFI report and the concerns of the international community.

Let me therefore complement what has already been said by looking forward.

Clearly, there is a pressing need for a more systemic approach to agri-food systems. By food systems I mean the nexus of elements – that is the environment, the people, the inputs, the processes, the infrastructure and the institutions – and the activities that relate to the production, processing, distribution and consumption of food.

Talking about food systems requires an understanding of the political economy of agri-food systems development and transformation in the context of today’s globalized markets.

Consumer preferences and food demand patterns are changing everywhere towards higher value and higher quality products with more stringent safety standards. Global food supply chains are more and more concentrated - dominated by multinational firms and food companies.

IFAD’s focus is on the potential of agriculture and rural transformation to end poverty and hunger, contributing to the first two Sustainable Development Goals.

Eighty per cent of the world’s poorest people and most of the under-nourished live in the rural areas of developing countries and depend on small-scale agriculture for their lives and livelihoods.
The world’s 500 million small farms support some 2 billion people. They occupy 30 per cent of the agricultural land and produce 50 per cent of all food calories globally. Yet they remain in the shadows of globalizing markets.\(^1\)

It need not be this way. So today I would like to offer a number of key entry points for sustainable and inclusive structural transformation.

Firstly, we need to be open to potential solutions in Frontier technologies. These are new and emerging technologies that may have the potential to leapfrog today’s answers and deliver scalable solutions to existing or emerging problems.

Precision farming is one such technology. Remote sensors to tell farmers how much water or fertilizer their crops need. Or drones can reveal when plants are in poor health, in enough time to take remedial action. High resolution cameras with advanced optics are promising too – all these technologies can be embedded in equipment and connect to mobile phones.

Advances in agricultural research and innovation also have huge potential. We are enthusiastic about the promise of nutritious varieties of crops, animals and fish -- and new technologies that prevent premature food spoiling – the list is long.

And there are also Distributed Ledger Technologies – often called “Blockchain”. These have the potential to close the trust gap between strangers sharing sensitive data and funds over long distances.

Secondly, we need all stakeholders to step up and play their role in guiding the future of agri-food systems.

Strong governments need to put in place and implement sound policies to end malnutrition in all its forms. This requires close collaboration between healthcare and social care providers; between nutritionists and agronomists; between farmers, retailers and educators and the wider civil society in general.

When it comes to innovations and technological solutions, this calls for careful review and a regulatory environment that ensures that technology is appropriate and reaches smallholders in developing countries. Here, the private sector needs encouragement to advance, adopt and reengineer technologies for smallholders.

The UN system has an important role to play in providing orientation for the technological journey ahead, and fostering political dialogue. Its role should be guidance so that technological change is people-centred, that it respects human rights, and is socially and environmentally sustainable.

This brings me back to the outcome of the SOFI report and to the last key point I would like to emphasize: we need a more targeted programmatic approach to development cooperation.

History teaches us that higher productivity and income alone do not automatically improve the nutritional status of people.

The causes of malnutrition and the remedies are multiple. Clearly, we need to look at diets -- how they are changing and why. We need to examine the effectiveness of existing approaches – especially healthcare, social and educational systems in countries at ALL stages of development.

\(^1\) Reliant numbers are hard to come by when identifying how many small-scale farmers are linked to global value chains – also because national and global statistics do not disaggregate by farm size. Looking into the organic and Fairtrade certified market, while steadily rising only involve 0.5 per cent of the world’s 500 million small-scale farmers (2.8 million small-scale farmers)
At my organization, the International Fund for Agricultural Development (IFAD), we are increasingly focused on developing nutrition-sensitive value chains.

One pioneering project is in Indonesia’s Maluku and North Maluku provinces which is introducing innovative approaches to farming practices, markets, and changing consumption.

The project aims to broaden the range of vegetables consumed. It has also introduced biofortified Orange Sweet Potatoes.

And it aims to increase protein consumption. But this requires providing new boats, so that fishers can range further. And it also requires a whole new chilled distribution system, to keep fish in good condition from the net to the remotest village.

As you can see, sustainable approaches to under-nutrition require us to think laterally -- investing in a range of activities and areas.

Smallholders have a vital role in producing nutritious foods for themselves and others. This is why they have to be involved in shaping the future of agri-food systems -- and why we, at IFAD, want go the last mile to ensure their participation.

Ladies and gentlemen,

As the latest SOFI report starkly shows, we are not on track to meet the global commitment of achieving zero hunger by 2030. The challenges are changing, and we need to change our thinking and actions in response.

But through inclusive structural transformation, I believe we can and we will create the conditions for sustainable production and sustainable consumption.

Thank you