

## **Opening Remarks**

**Representative Maxine Waters D-35<sup>th</sup> CA**

**Subcommittee on Domestic and International Monetary  
Policy, Trade and Technology**

**Hearing on**

**“The International Fund for Agricultural Development  
(IFAD) and the Importance of Agricultural  
Development in Sustainable Global Poverty Reduction”**

**September 12, 2006**

Good afternoon ladies and gentlemen. I want to thank the Subcommittee Chairwoman Deborah Pryce and Ranking Member Carolyn Maloney for holding today’s hearing on “the International Fund for Agricultural Development (IFAD/Fund) and the Importance of Agricultural Development in Sustainable Global Poverty Reduction.” Indeed, the participation of the United States in the IFAD is critical to achieving the goal of sustainable

global poverty reduction. Our participation in the IFAD is also important because it signals to rest of the world our commitment to eliminating global poverty.

The IFAD was established in 1976. So, it is fitting that on the 30<sup>th</sup> Anniversary of the organization that we should consider the replenishment of the IFAD. The mission of the IFAD is to” enable the rural poor to overcome poverty”. Poverty is still a major concern and much of the current focus of the international community is on eradicating poverty throughout the world. Indeed, the IFAD’s mission is consistent with the Millennium Development Goals of “halving hunger and extreme poverty.”

The Fund plays an important role in finding solutions to global poverty. The IAFD through developing

and transition economy governments uses “participatory” methods to design projects and programs to address rural poverty. The Fund’s activities in rural and agricultural development are based locally and are uniquely tailored to meet the needs of the rural women, indigenous groups, and ethnic minorities in many poor countries. According to the Fund’s published reports, more than 13 million people were assisted annually through 192 projects in 86 countries. Current on-going projects and programs total \$6.1 billion, of which IFAD’s investment is \$2.8 billion, nearly 50 percent of the total. Since 1978, IFAD has invested more than \$8.5 billion in 676 projects assisting more ¼ billion people who are the rural poor.

I believe that U.S. participation in the Fund symbolizes what is good about American foreign policy.

Moreover, given the controversy about our involvement in Iraq and elsewhere, it is absolutely essential that we continue to support international development institutions such as IFAD whenever we can. The Seventh Replenishment of the IFAD will further our longstanding commitment to the organization and its goals to eliminate rural poverty. The replenishment target of \$800 million will enable the IFAD to expand its work by 10 percent through 2009. I strongly support our pledge of \$54 million to IFAD, which represents a 20 percent increase over our last pledge of \$45 million. The United States is the largest donor to IFAD, while Great Britain and Sweden are the next largest donors with \$50 million and \$44 million, respectively.

Finally, because of the sweeping institutional reforms related to governance and transparency adopted

and being implemented by the IFAD, I believe that the IFAD will become an even more effective agent for improving the quality of life for millions of rural poor in the developing world. As many countries attempt to modernize to compete in the global economy, the rural poor are often neglected. To ensure that we recognize that the success of a country is not so much a matter of how much it grows annually, we must continue to focus on how much global poverty is reduced annually, particularly among the rural poor. Thank you. Madame Chairwoman.