

United Nations Conference on Housing and Sustainable Urban Development (Habitat III)
- IFAD STATEMENT
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Chair, Excellences, Ladies and Gentlemen,

I am honoured to be here to represent the International Fund for Agricultural Development (IFAD) at this Third United Nations Conference on Housing and Sustainable Urban Development, as a culmination of two years of IFAD's involvement in the process of development of the New Urban Agenda (NUA). IFAD applauds the major international effort that has gone into the design of the NUA, which we see as an important part of our shared global vision of a world without hunger and poverty.

IFAD's core business is investing in rural women and men to promote inclusive rural transformation. As such, we welcome an urban agenda that aims to "leave no-one behind by ending poverty in all its forms", reinforcing and contributing to the realization of Agenda 2030. We emphasize this ambition can only be realized by integrating and responding to the challenges faced by people living in all types of human settlements – cities, peri-urban areas, rural towns and hinterlands.

IFAD is also encouraged that the draft NUA acknowledges the centrality of key issues at the heart of the nexus between urban and rural development – for example:

- promoting rural-urban linkages
- achieving equitable growth across rural and urban areas
- addressing the specific constraints and opportunities of rural stakeholders, and
- linking smallholder farmers to markets.

IFAD stands ready to contribute to the implementation of the NUA in a spirit of partnership and cooperation among all stakeholders.

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Mr/Madam Chair, please allow me to recall that the concentration of poverty in rural areas – where an estimated 78 per cent of the world's poor live - is brought about, at least in part, by lack of inclusive institutional and physical linkages between rural hinterlands, larger towns, peri-urban and urban areas. Lack of quality infrastructure and services in rural areas severely limits the opportunities for many rural producers, processors and workers to benefit from growing need for rural goods and services in towns and cities, and this in turn results in entrenching rural poverty. Strengthening these linkages is key not only to reduce rural poverty but also to ensure food security, balanced social and economic growth, and environmental sustainability in urban centres, as well as to reduce development gaps between rural and urban areas.

Consequently, as part of the implementation of the NUA, more and better investment in rural areas, rural people, and rural-urban linkages should be part and parcel of the envisioned investments in urban development. In this context, we are pleased that the NUA emphasizes the need to "promot[e] equitable growth of regions across the urban-rural continuum," supported by balanced and inclusive territorial governance approaches.

We need to invest in infrastructure, services and governance institutions that connect people and economies across rural and urban areas, and we need particular emphasis on empowering people in both rural and urban areas to contribute to the development process. In this regard, IFAD's experience shows in particular the importance of the empowerment of smallholder farmers, who

already produce up to 80 per cent of the food consumed in much of Africa and Asia, not only in order to ensure rural and urban food security but also to drive economic growth well beyond the agriculture sector, and to create employment and entrepreneurship opportunities for hundreds of millions of young women and men, thereby reducing unsustainable migration pressures on cities.

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IFAD is also pleased to note that the NUA envisions sustainable cities and human settlements that are free of hunger and all forms of malnutrition. Coordinating territorial food systems across urban, peri-urban and rural areas requires identifying food value chains as key entry points for rural-urban linkages. Recognition that the majority of foodstuffs are and will continue to be produced in rural areas must be central to the implementation of the NUA, building on how rural transformations affect both food consumption and production in urban and rural areas.

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Given the integrated nature of the NUA, and the key role rural stakeholders will need to play in its implementation, IFAD would like to emphasize that truly inclusive territorial governance and development can only be achieved through ensuring meaningful political participation of local actors – rural and urban alike. Key local rural actors include smallholders and their organizations, particularly rural women, young people and indigenous peoples. Smallholders and their organizations in particular should be involved in all phases of planning and policy processes. This will be central to developing local ownership, capacity and awareness around the agenda of sustainable urbanization, and the broader agenda of sustainable development.

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In conclusion, implementing the NUA will require empowering rural people, investing in rural development, and reducing urban-rural disparities, as part and parcel of what sustainable urban development requires. IFAD is already engaged in operations with its partners in all these areas, for example by:

- Investing in smallholders' productivity and facilitating linkages between smallholder organizations, non-farm private businesses and public actors
- Bridging rural-urban divides by extending access to training, information, technologies, infrastructure and financial services to under-served rural communities
- Working with young people to generate entrepreneurial and employment opportunities that reduce migration pressures on cities.

IFAD's experience shows that such investments represent a solid business proposition for both public and private financing. We believe such approaches must be a key element of integrated approaches to implementing a NUA that aspires to the empowerment of all people, urban and rural alike. This is the only way the NUA's overarching goal to leave no-one behind can become a reality.