

IFAD highlights the transformative power of innovation for small-scale farmers

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IFAD and the Inter-American Development Bank Group (IDB Group) announced that they are exploring a collaboration to develop universal digital wallets tailored to the needs of small-scale farmers. The aim is to roll-out the initiative globally, accelerating the inclusion and resilience of rural people and vulnerable groups.

Alvaro Lario, President of the UN's International Fund for Agricultural Development (IFAD) spoke at the opening of IFAD's 47th Governing Council in Rome, with the theme "Innovation for a Food Secure Future" and the needs of small-scale producers in developing countries, Lario stressed.

"In the face of rising hunger, economic volatility, growing inequality and the ravages of climate change, a quiet revolution is underway fueled by innovation and determination. For small-scale farmers in some of the most remote corners of the world, innovation isn't just a buzzword it's a lifeline with the potential to reshape the future of agriculture by generating and scaling up new ideas, new approaches and new opportunities to sustainably overcome the challenges they face on a daily basis" added Alvaro Lario.

Bhaskar Chakravorti, Dean of Global Business, The Fletcher School, Tufts University, emphasized the significance of "small AI," citing a case study in Tanzania where farmers uploading pictures of pest-infected crops onto a specially developed app that provided locally available treatments, saved \$100 million in lost crops. Across the country, the impact amounted to \$25 billion in savings.

"When one thinks about investment, the amount of investment is relatively low but the return is enormous and the actions that need to be taken are straightforward," added Chakravorti.

Some of the new ideas and approaches discussed during the event were showcased at a **Marketplace of Innovation** which featured, for example, AI-powered climate information systems that keep farmers abreast of changing weather patterns, and blockchain and Web3 technology for digital wallets that allow rural people to easily receive and make digital payments.

Solutions showcased at the marketplace aim to bring about broad systemic change that will ultimately help small-scale farmers increase their production and livelihoods, while building resilience to shocks such as climate change, conflict and economic instability. These changes can have far-reaching impacts since small-scale farmers produce one-third of the world's food, and up to 70 percent of food in some developing countries.

IFAD has often been at the forefront of AI adoption. By using Microsoft AI solutions, the UN specialized agency built **OmniData**, a centralized analytics platform that connects data, dashboards, visualizations, and analytics powered by machine learning and AI to address small-scale farmers' needs through targeted investments.

During the Governing Council, IFAD recognized **Gender Awards** showcasing best practices developed in Bolivia, Cambodia, Ghana, Madagascar and Montenegro and emphasizing IFAD's commitment to driving positive change in rural communities and economies. IFAD's Gender Awards are closing the gender gap in farm productivity and the wage gap in agricultural employment could potentially reduce global food insecurity by about 2% points and improve nutrition, livelihoods and sustainable food systems.

Serbia becomes a Member State of IFAD; Lithuania is endorsed

During the business items, the Governing Council members welcomed Serbia as a Member State. Lithuania was also endorsed today as a new Member State to join IFAD however its membership comes into effect upon the deposit of their instrument of accession with the UN Secretary General.