

Urgent, long-term investment needs in rural development to prevent food crises: IFAD

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Investing in rural people

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Ahead of the annual gathering of world leaders in Davos, Alvaro Lario, President of the UN's International Fund for Agricultural Development (IFAD), warns of the urgent need to invest at speed and scale in long-term rural development to prevent recurring food crises and end hunger and poverty.

"We cannot continue to go from food crisis to food crisis. Extraordinary times call for extraordinary measures," said Lario.

At Davos, Lario will be calling for a massive scale-up of investments in agriculture, and long-term rural development from governments, investors and companies with the view to ensure food sovereignty, an issue that has become critical for developing countries. At least an additional \$30 billion per year in investments are needed according to pre-COVID-19 estimates, now the costs are even higher. Donor support for agriculture has been stagnant at just 4 per cent of total ODA for at least two decades, far from what is needed.

"Only long-term investments in rural economies can provide long-lasting solutions to hunger, undernutrition and poverty. This is what will enable small-scale farmers to increase local production, adapt to climate change, build local food chains, sustain local markets and commercial opportunities, and create small rural businesses," said the IFAD President.

The world is experiencing an unprecedented food crisis due to high food, energy and fertilizer prices linked to the war in Ukraine, and climate shocks. Key drivers of hunger remain conflict, climate change and the global economic slowdown.

The number of people facing acute food insecurity soared to 345 million in 2022. Currently, 49 million people live on the edge of famine. About 828 million people are undernourished.