



UN official cautions against reducing assistance to smallholder farmers



IFAD President Kanayo F. Nwanze

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The head of the United Nations agency tasked with combating rural poverty today cautioned developed countries against cutting assistance to smallholder farmers in poorer nations, saying most food producers across the world were small-scale growers.

"When people cannot afford to eat because they cannot make a decent living, they become desperate, which led to riots during the 2008 food crisis," <u>said</u> Kanayo Nwanze, the President of the UN International Fund for Agriculture Development (IFAD), speaking ahead of the two-day Group of 20 (G20) agriculture ministers' meeting, which opens in Paris tomorrow.

"The current food price increase has pushed an estimated 44 million people into poverty, creating once again a volatile mix. During the last price increase, when smallholders were assisted in accessing markets for finance, seeds and fertilizers, they were able to benefit from higher prices and both poor producers and consumers were better off," added Mr. Nwanze, who will address the meeting.

France holds the presidency of the G20, which is made up of the world's largest economies.

The G20 agriculture ministers are tasked with developing an action plan to address price volatility in food and agricultural markets and its impact on the poor. Studies have shown that the

gross domestic product (GDP) growth generated by agriculture is more than twice as effective in reducing poverty as expansion in other sectors.

Mr. Nwanze is expected to tell the ministers that the G20 has a comparative advantage in promoting the sharing of experiences of countries that have made significant progress in boosting agricultural production, and which have created an enabling environment for investment in agriculture, including Brazil and China.

In addition, the G20 can strengthen policy coherence and coordination, which is essential in dealing with sensitive issues in trade, biofuels and responsible investment in agriculture, he said.

"I take this message to the ministers on behalf of the smallholder farmers around the world: the development of rural areas is central to overcoming hunger and poverty, mitigating climate change, achieving energy security and protecting the environment, and it is the smallholder farmer that holds the key. But we must seriously start investing in their potential to support them to deliver."

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