

**2012 THE "BORLAUG DIALOGUE"**

October 18, 2012 - 1:00 p.m.

*Rajiv Shah*

*Introduction by:*

**Ambassador Kenneth M. Quinn**

President - World Food Prize Foundation

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Our speaker today is someone for whom I have enormous respect and great, great affection. I first met him in late 2005, I think, when he was starting with the Gates Foundation and was out just beginning trying to put in place the Gates global agricultural strategy. And he was out spending a day at Pioneer, and I got to see him for 20 minutes at lunch and tell him about the World Food Prize and convinced him to come.

And we put on a panel and was with Dr. Borlaug and Sir Gordon Conway, who is here, with Catherine Bertini and with Professor Chen Zan Leng, and it was kind of our all-star team with him. And like to think there were a few ideas there, and that led to a much more collaborative and supportive relationship. We're so proud to be a venue in which the Gates Foundation has been able to have as a forum for its ideas and programs.

And then he'd gone on to work at USDA with Secretary Vilsack and then since 2009 as the administrator of USAID.

And I started life in diplomacy as an AID officer in villages of Vietnam, and so I know something about the organization. And I have watched as he has through the sheer dent of his personality, his vision, his energy and his intellectual acumen has made that agency thrive and grow and be a force around the world. And my friend, Marshall Buton is here with the Chicago Council. They had the kind of culmination of these principles of Feed the Future, and which we are so proud they were first announced by Secretary Clinton with you at our World Food Prize laureate announcement for Gebisa Ejeta. And now it's grown into this dynamic program that is having such incredible impact.

And, you know, I kind of measure events by the speakers you get, and Rajiv had Secretary Clinton, and he had the President of the United States speaking - and then Bono, so I said, wow, topping it off.

But please join me in welcoming back to the World Food Prize the Honorable Rajiv Shah, the administrator of USAID.

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## **LUNCH KEYNOTE ADDRESS:**

### **Rajiv Shah**

Administrator, U.S. Agency for International Development

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Thank you, thank you, Ken for that incredibly kind, overly kind introduction. I think we all, 800 or a thousand or however many of us you've packed into the room today, admire your persistence and your leadership in putting this together. I was joking that I'm here in part because Ken twisted my arm, and I have a brace to show for it.

I also am honored to be here with Dr. Hillel, of course, and so many other World Food Prize laureates. We admire your work and your accomplishments. I'm grateful for your friendship. I won't name each of you, but I know that you recognize that we value both what you stand for and the ideas that we've tried to partner with you on taking to scale around the world for the betterment of humanity.

I'd like to recognize in particular Dr. Brady Deaton and members of the board for International Food and Agricultural Development that serve us so consistently and with focus and has helped us improve the way we do our work. And by "we," I'd just like to introduce a few of my colleagues who I'm proud and honored to work with - Tjada McKenna, who's our Feed the Future Deputy Coordinator, Paul Weisenfeld who is the Assistant Administrator for Food and Security, Julie Howard, our Chief Scientist over here, and so many other members of our team. We're glad, Ken, we all got invited, so thank you.

I also want to recognize that this commitment that I'll speak about today, Feed the Future, and the results that we're proud to share with you this afternoon are a result of the entire federal government coming together under President Obama's leadership and Secretary Clinton's leadership to deliver on the opportunity that you have helped us see and realize. And in that context, leaders like Secretary Vilsack and so many others across our administration have shown a tremendous personal commitment that allows, in my view, Feed the Future to be a very significant success story in our development footprint around the world.

I want to start by offering my congratulations... Well, actually I want to start by just recognizing for a moment what I think you've already recognized and honored, that we're all praying for and concerned about our friend and mentor, George McGovern. He was, he is a great humanitarian and a caring mentor. He put so much time and effort into helping myself and Roy Steiners here and so many other colleagues at the Gates Foundation in those early days, actually learned something about food and agriculture and told us these great stories, one of which was how he got President Kennedy to start the food programs and elevate, and make the quest to end hunger a strong and visible part of what America stood for around the world.

So it's in that context and because of his link to the Kennedy Administration that I'd like to start actually by showing you a video that we produced for our 50<sup>th</sup> anniversary last year. Can we run the video, please?

*Today we seek to move beyond the accomplishments of the past, to establish the principle that all the people are entitled to a decent way of life. This is the most demanding goal of all. We have made a good start on our journey, but we have still a long way to go.*

*The conquest of poverty is as difficult, if not more difficult, than the conquest of outer space, and we can expect moments of frustration and disappointment, but we have no doubt about the outcome. For all history shows that the effort to win progress represents the most determined and steadfast aspirations of man.*

*Our problems are manmade, therefore they can be solved by man, for in the final analysis our most basic common link is that we all inhabit this small planet, we all breathe the same air, we all cherish our children's futures, and we are all mortal.*

I think those words in many ways speak to what Senator McGovern has asked us all to do in gathering to work on food and hunger issues today and in the future.

I'd like to share with you a few additional words. These are from President Obama, and they're directed to our awardee today, Dr. Hillel. And, Dr. Hillel, you haven't received this letter yet - you will. We just got it in our emails a few minutes ago. It says,

*Dear Dr. Hillel:*

*I extend my congratulations on winning the 2012 World Food Prize. This award puts you in the company of bold innovators who have reminded us that our greatest resource for building a better world is the talent, intelligence and creativity of the people who inhabit it. Your pioneering work is helping the global community meet our moral obligation to fight hunger, and I hope you take tremendous pride in all you have accomplished.*

*Congratulations, and I wish you all the best.*

*Sincerely,*

*Barack Obama*

I know this evening will be dedicated, Dr. Hillel, to celebrating your work, and I look forward to that. I was proud that members of our team were able to find a manual that described how - in this case Dr. Steven Kovach, but he's one of many USAID colleagues around the world - worked hard to take the ideas that you created and implement them all around the world. This is a manual about introducing drip irrigation to Balochistan, and it has photographs for anyone who is interested in learning how to do that and is a great example of when the public sector can partner with scientists and innovators to take great ideas to scale, because it is really doing that that creates the kind of impact that we can have around the world.

Now, two years ago I had the chance to be right here at this lunch, and I had the privilege of speaking to you about the launch of President Obama's Feed the Future program. In fact, a year before that in 2009 at the G8 in L'Aquila, Italy, President Obama rallied global leaders to commit \$22 billion dollars to the task of using agricultural development to end hunger and extreme poverty.

The truth was - those agreements could not have come at a more important time. For more than two decades agricultural funding had been on the decline, leaving the world ill-prepared to deal with the growing challenge of food insecurity. In 2007 and 2008, as you know, soaring prices for basic staple commodities, coupled with short-sighted and reactionary policy

responses, like export bans and panic buying, set the world on edge and put us backwards in our fight to end hunger.

But it also got the attention of global leaders. It got the attention in a way that made us all say – it's time to do things differently. Since that time, we've seen the U.N. General Assembly endorse the principles agreed to at L'Aquila. We've seen the G20 include food security on its agenda on a regular basis. We've seen the revitalization of the U.N. food agencies, and countries across the world have designed their own strategies to improve their agriculture from the inside first. In fact, just a few weeks ago the U.S. NGO community came together and committed more than a billion dollars to this task and to report on results in a consistent and transparent manner.

So the good news is the fight to use agriculture to end hunger is on the global agenda. But it was also just two years ago in Iowa that we first introduced some of the things we were doing in the federal government to take that fight around the world. We talked about the introduction of our Bureau of Food Security, of our Feed the Future program, and the principles of country ownership and effectiveness and results that we sought to achieve.

We believe this approach represented a new model of development, which would define a way that we should work across all of our areas of work – in water, in health, in humanitarian response. We felt this was a model that would align resources around country-owned plants, developed with the input of stakeholders and farmers from across the countries in which we sought to work.

We wanted a model that would engage the private sector, both from the perspective of corporate charity and social responsibility but also as real business partners with real business interests that could be served in addressing the needs of the world's most vulnerable populations. And we felt that this model should demand more of our country partners – serious efforts at policy reform, increasing investment and fighting corruption.

Three years later you have the right to ask – what have we achieved? We know there are many ways you can measure results in development, especially when you consider an effort as comprehensive across the board as Feed the Future. We know the first way is by measuring the number of people you've reached. In 2011 working on the ground in 19 countries from Guatemala to Malawi, Tanzania to Bangladesh, Feed the Future has helped 1.8 million farm households adopt improved technologies or management practices, growing yields and incomes, across 3.4 million hectares of farmland.

That includes farmers like Sushmita Chaudhary, who struggled to eke out a living for her family in Nepal from cereal crops. In 2011 she decided to join a Feed the Future program that taught her about nursery management and crop rotation. She started planting high-value crops like tomatoes and cauliflower, and as a result she earned seven times her former income and increased yields by elevenfold.

We've also reached 8.8 million children through effective and efficient nutrition programs that have reduced anemia, supported community gardening, and treated acute and chronic malnutrition. That includes women like Aisha Majuto and her infant son, Lubanga, who live in Central Tanzania. When Aisha was pregnant, she received home visits from a nutritionist who counseled her on the importance of iron tablets and exclusive breastfeeding for the first six

months of her child's life. When Aisha's husband tried to stop her from breastfeeding only after three months, the nutritionist intervened and successfully counseled the whole family.

The second way you can measure results is through outcomes you've helped deliver, meaningful signs that you're having impact at scale. Here's just one. By planting improved seed varieties, rice farmers in Senegal have gone from a rice deficit, actually needing to purchase additional rice to feed their families, to producing a surplus. In just two seasons we have seen the number of farmers using these new varieties increase from 114 to more than 5,000. And sales are expected to jump nearly 3,000% from aggregate value of \$12,000 to an aggregate value of \$365,000.

The third way you can measure results is through visible changes in policies that governments pursue at home and around the world. In the last three years USAID has worked to reduce the amount of monetized food assistance in markets where that may create incentives that impede local agricultural development. In Haiti, we ended that practice, and together with investments and productivity and science and working with farmers, we've seen dramatic increases in yields across most major staple commodities.

We encourage countries to limit or to stop using food export bans. And as the worst drought in 60 years hit the Horn of Africa last year, we have already seen half of all Feed the Future countries now increase their public expenditures for agriculture and take specific actions to weed out corruption and corrupt officials.

The United States Government has also come together behind Feed the Future in a new and coordinated fashion to maximize our impact. The Millennium Challenge Corporation has directed half of its total investment portfolio to support food security. The U.S. Department of Agriculture is sharing its vast expertise in building agricultural capacity with developing countries. And the Peace Corps now has more than 800 dedicated Feed the Future volunteers working closely with farmers and families to improve food security and nutrition.

These changes may be hard to measure, and they're not necessarily the ones that always excite our imagination - federal government cooperation. But they are absolutely necessary to lay the groundwork for sustainable progress in the years ahead. Ending hunger must be at the top of America's agenda for years to come, and these changes will help make sure that that is in fact the case.

Since 2009 data from the World Bank and the Food and Agriculture Organization has shown an increase in food production in Feed the Future countries by an average of 5% in Latin American countries that are part of Feed the Future, 13% in Southeast Asian countries, and 18% in Africa.

Now, in the past the development community has often spoken about success in terms of inputs - dollars pledged, dollars spent, where the money went. We're on track to meet all of our commitments that we've made, that President Obama made in L'Aquila in 2009 and that we made again this past year at the G8 in Washington, DC.

But most importantly, more important than dollars, we're now able to talk about actual results. Today I'm proud to announce that the report on our first official Feed the Future progress report should be sitting at your tables or on your chairs - you would know if you're sitting on

them, by the way. In 33 pages it outlines our efforts to apply our new model of development – demanding more from our partners, deepening private sector engagement, and harnessing innovation to food security and agricultural development.

In fact, across Feed the Future programs, we have generated over nine dollars from other partners for every dollar we spend in U.S. taxpayer funds. By sharing risk with local banks and investors through credit guarantees, our development credit authority has unlocked \$443 million in private sector lending for agriculture, primarily in Feed the Future countries in just three years. And work by our in-house economist, who specializes in cost benefit analysis, has shown a rate of return for Feed the Future investments that averaged 22% with a range from 11 to 148% across programs they evaluated. That's the big picture.

At the community level, the changes are no less powerful. Parents are learning about nutritious foods like peanut paste, chickpeas and sweet potatoes. Farmers are carrying record hauls to market and getting prices on their mobile phones and devices to help improve their negotiation with middlemen. And women are not only securing rights to land they tend but also gaining greater access to credit and breakthrough technologies.

For over three decades, nearly all World Food Prize laureates have had one thing in common, one defining attribute that has helped them turn their ideas into real solutions that reach millions of people. From Dr. Swaminathan, who I thought I saw here, Dr. Swaminathan, to Dr. Hillel, each has harnessed the power of science, technology and innovation to unlock tremendous progress.

To help realize this potential around the world, the United States has fundamentally improved our approach, scaling up investments in cutting-edge research, providing direction institutional support to local universities and research institutes in Africa and around the world and dramatically expanding training for the next generation of experts.

Thanks to this new emphasis, vitamin A enriched orange flesh sweet potatoes are reaching tens of thousands of households from Uganda to Mozambique to Bangladesh. And the deep placement of urea briquettes has helped transform 405,000 hectares of land in Bangladesh, leading to the first ever rice surplus in the country's poorest state, home to more than 2.2 million people.

The innovation is as simple as it is effective. Instead of applying urea nitrogen fertilizer to the soil, where as much as 70% is lost to runoff or the atmosphere, it is compacted into briquettes and buried near plant roots where it releases the nitrogen more slowly.

Through agricultural technologies like seeds and improved fertilizer applications, we're expanding our focus on science, technology and innovation as the driver for the next wave of major gains in the fight against hunger.

And it's not just core agricultural technologies. For example, significant advances in actuarial science have enabled us to partner with insurance firms to pilot microinsurance programs in some of the areas that are most vulnerable to drought and famine. In Kenya last October at the height of a devastating drought through the Horn of Africa, insurance payments were made to more than 600 pastoralists who had purchased coverage for their animals the year earlier. And

through a partnership with Swiss Re they were getting payments that helped them survive what was otherwise a devastating climate shock.

Now, we know these kinds of breakthroughs don't just happen on their own. You need the expertise and ingenuity of scientists, of agronomists, engineers, nutritionists, all studying these problems and working together.

That's why I'm pleased to announce a new partnership called Feed the Future's Innovation for Agricultural Training and Education that brings a consortium of U.S. universities led by Virginia Tech to help more than 30 schools and universities in the developing world improve their curriculum, strengthen their administrative capacity, and build their infrastructure. Together these efforts will reach more than 120,000 students, empowering the next generation of agricultural leaders and World Food Prize laureates.

We're also partnering with TechnoServe to help scale up the work of Partners in Food Solutions, which links volunteers from General Mills, Cargill, and DSM with small and medium-size mills and food processors in the developing world. Together, we hope to reach more than 250 food processors in Kenya, Malawi and Zambia with more than 50,000 hours of service.

But Feed the Future isn't just about building capacity of businesses and institutions. It's also about expanding opportunities for individuals. And that's why we're proud to continue our strong support for programs like the African Women Agricultural Research and Development award program, or AWARD. This reaches thousands of individuals and will continue to reach 250 women in 11 countries to offer them technical fellowships that allows them to get their PhDs and then apply their expertise to specific projects that tackle food security while enriching the research and scientific capability of their home institutions.

It includes scientists like Missa Demissie, who after receiving a fellowship accepted a new job with Ethiopia's Ministry of Agriculture, gained a network of peers and developed a new specialty, applying her work to malt barley.

Today more than 1,000 women have applied for the 70 places that exist in the next round of fellowships, just to give you a sense of the tremendous demand for this kind of support and expertise.

Now, we've also carefully reviewed where we felt there were areas of improvement that would help us get better and more effective at ending hunger through effective agricultural development. One of those areas was the fact that, despite significant increases in private investment in Sub-Saharan Africa, for example, most of that investment was not going into the agriculture sector. In fact, foreign direct investment in the agriculture sector had been flat and low continually for years.

So last year in the lead-up to the G8 Summit in May, we worked to try to correct for that. We reached to global and local firms and canvassed what their concerns were in expanding their activities in countries. We heard common barriers to investment, including corruption, ineffective or rapidly changing policy environments, and a lack of access to donor programs that could help make projects in the developing countries more feasible from the outset.

As a result, we started bringing donors, private sector companies and countries themselves together in a new dialogue and in a new alliance that could expand investment opportunities and offer investors confidence that there would be consistency and support for the role of the private sector in reaching small-scale producers, women, children, and ending hunger.

This premise was simple, but at the G8 at Camp David, President Obama, was able to announce the scale of what's possible. He announced in that context that this new alliance will seek to move 50 million people in Sub-Saharan Africa out of poverty in the next decade. So far more than 70 global and local companies have committed more than four billion dollars to expand seed production and distribution, establish small-scale irrigation systems, and source food locally for global supply chains.

For example, in Ethiopia, DuPont is moving forward with their commitment to strengthen the maize value chain, reaching 32,000 smallholder farmers and providing a credit facility for storage to dealers. And in Tanzania a local seed company called Tanseed is developing a new seed package designed for smallholder farmers that will help raise the incomes of more than one million people.

At the same time, six African countries have developed cooperation frameworks where they have detailed out the specific policy reforms they will make with a public calendar of when those new policies will go into effect. And I can tell you just in the last few months, meeting with heads of state, the first thing they do is show me how, since May, since that Camp David event, they have beaten the time deadlines on putting in place reforms to liberalize the seed sector, eliminate export bans, improve trade, and create a more functioning agricultural and food system.

So these are impressive steps, but we're always searching for new ways to ensure that they reach all the way back to individual farm households who are actually the most vulnerable amongst us.

And so today I'm excited that we're announcing two new development credit authority programs that I think will help accelerate this trend. The first will work with the World Food Program's Purchase for Progress effort in South Sudan, Tanzania, Kenya and Ethiopia to partially back loans made to smallholder farmer organizations, including those with forward delivery and direct contracts from WFP. It's a creative approach that leverages the fact that WFP is willing to buy product from small-scale producers, and we're willing to provide financing to help make that successful.

The second agreement works with Root Capital, a Boston-based social investment fund, to open financing opportunities for agricultural businesses that are too large for microcredit but too small for traditional commercial lending. As a result of this new effort, Root Capital will disburse more than \$50 million in loans, reaching more than one million small-scale farmers, primarily in Feed the Future countries.

These efforts and these programs are ambitious. They seek to work at scale. They seek to take new ideas and elevate them significantly. We remain committed to measuring and reporting results. The report card on your table today is the first in an annual exercise where we will tell



you precisely what we're achieving with this new focus and this expenditure of taxpayer resources. You deserve to know that those resources are being used to deliver results.

And at the same time we're building data systems, working with country ministries and with the FAO that will, I hope over time, allow our entire field to migrate away from the overuse of modeling to interpret what's actually happening and have more actual data to understand who's vulnerable, who's at risk, and how are we doing in our global fight to end hunger.

Each year it is, I think, necessary for us to ask ourselves as we get on the plane and come to Des Moines – Is it really possible to end hunger? Eight hundred and seventy million people or so will go to bed hungry tonight. You come together every year in this room to answer that question with a resounding yes. And I hope you know today that your president and this administration hear you and have made this a significant part of how America projects power, influence and our moral values around the world.

I'd like to close with a comment to the 150 students that stood up earlier. You know, when I started at USAID, my focus was and continues to be – bringing businesslike practices and a businesslike focus on delivering results to everything we do in development. That was the approach we took at the Gates Foundation. It's the approach we're taking now at USAID, and it's the approach that I see permeating institutions like the World Bank and so many others as we all move forward together.

But recently I've had special experiences. I had a chance to go out to General Mills and meet with Ken Powell, a great CEO, and I don't know, four or five hundred of your folks, probably twice that number that came out to talk about the work the Partners in Food Solutions is doing. And I've learned that the best business leaders, folks like Ken, actually create a sense of common purpose, of shared value, of a sense of aspiration for something greater than simple business results.

So to those kids in the room today, if you commit yourself to this work, I believe you'll find a sense of meaning and purpose that is even more important than the report cards that I can put on your table today.

I thank you for the chance to be here, and I wish you luck, Ken, with this taking this forward. Thank you.

### **Ambassador Kenneth Quinn**

Thank you, thank you. That's wonderful. Rajiv, that was terrific and exactly what we come to expect and we know we'll get from you. I told you he was a dynamic leader, and, you know, he's still a policy young guy, and you might be still eligible to be nominated for the Norman Borlaug Award for Field Research and Application. So Tjada, send in a nomination for him for next year. Join me in thanking Rajiv Shah again.