



letter. As. And I guess that is what we are striving to achieve- to be triple A associations leading the world in rural and microfinance.

I would like to think of the three AAAs as representing:

First, Aspiration- our aspiration and ambition to reduce the level of poverty in our regions, to join in realizing the dream of the Millennium Development Goals.

Second, Action- active involvement, showcasing the best practices, replication, turning dreams into reality

And third- Advancement- advancing the frontiers of knowledge, blazing new trails in broadening outreach, reaching greater heights, searching for excellence.

And in all of these aspirations, actions and advancement, I would like to highlight the role played by IFAD in both continents. Of course, IFAD has only one A, but in the world arena, it has a big A, it does not only generate ideas and commitment, it is strong in Application.

I believe that changing our regions is not only a task of one group. I believe that other stakeholders are equally important. I am therefore pleased to acknowledge the presence of our association's partners from the international development community, the private sector and NGOs, the business community and the academe. Each has a role to play and has something to contribute to make the rural financial system work smoothly and cohesively.

The gathering of the region's foremost experts and practitioners will add depth to the dialogue, clarity to the definition of concepts and critical debate to the issues.

Neighbors help each other. It is in this spirit that we have formulated this dialogue to learn from each other's successes and mistakes. Best practices emerged from years of painful mistakes. Confucius would say, if you have not tasted the bitterest of all bitters, you will never taste the sweetest of all sweets.

The unfolding events in the last two decades in the field of rural finance witnessed the reforms of public sector banks, such as rural and agricultural development banks. Several policy-making and rural financial institutions have adapted to change and have adopted innovative best practices to strengthen their financial delivery systems.

In the past, the services of those mandated to help the poor didn't really reach the grass roots, which I likened to a cone of ice cream that is eaten along the way and is long consumed before it reaches the intended beneficiaries.

At BAAC, from its humble beginnings in 1966, it has grown into a large rural and agricultural development bank. We are proud to state that our bank has reached out to close to 98% of all agricultural farm households.

As in the case of your institutions, the rural poor are now steadily able to access formal credit, through the establishment of groups and through efficient individual linkages.

In the field of food and agriculture, these grassroots level transformation and innovations are providing valuable support to meeting and achieving our universal goal of eradicating poverty and hunger through sustainable development and food security. It is universally accepted that rural finance is the single most important factor in addressing the problems of poverty.

Where credit is not available, no amount of non-financial services can push the rural poor upward or assist them to cross the poverty line. Even the pro-poor technologies need some albeit reduced monetary inputs. The role of our institutions is crucial in rural and microfinance.

Ladies and Gentlemen,

I therefore look forward to a meaningful and extensive dialogue and sharing, particularly with the assistance of our venerable Professor Dr. Richard Meyer, who will act as our dialogue facilitator. It is hoped that the information to be generated and the recommendations to be offered by this dialogue would keep our interest and commitment alive to the cause of poverty reduction in both our continents.

Thank you and good morning.