



Corporate induction

An overview of IFAD

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The gap to SDG1 and 2 targets is increasing

Existing development threats



Poverty

is becoming increasing concentrated and its decline is slowing



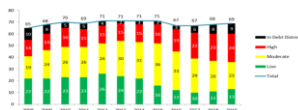
Fragility

is increasing and violent conflict has tripled in the last decade



Food insecurity

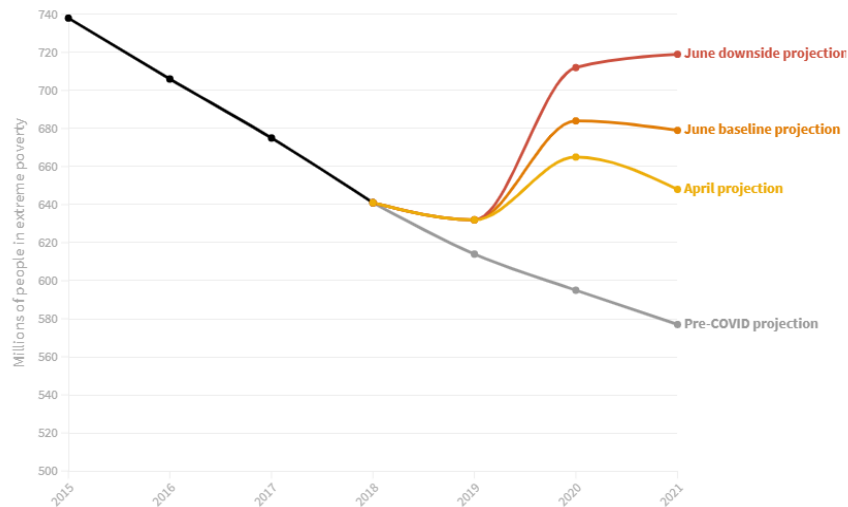
is on the rise and reversing back to levels of 2010-2011



Debt Sustainability

at risk (50% of IDA countries at high risk, double that of 2013)

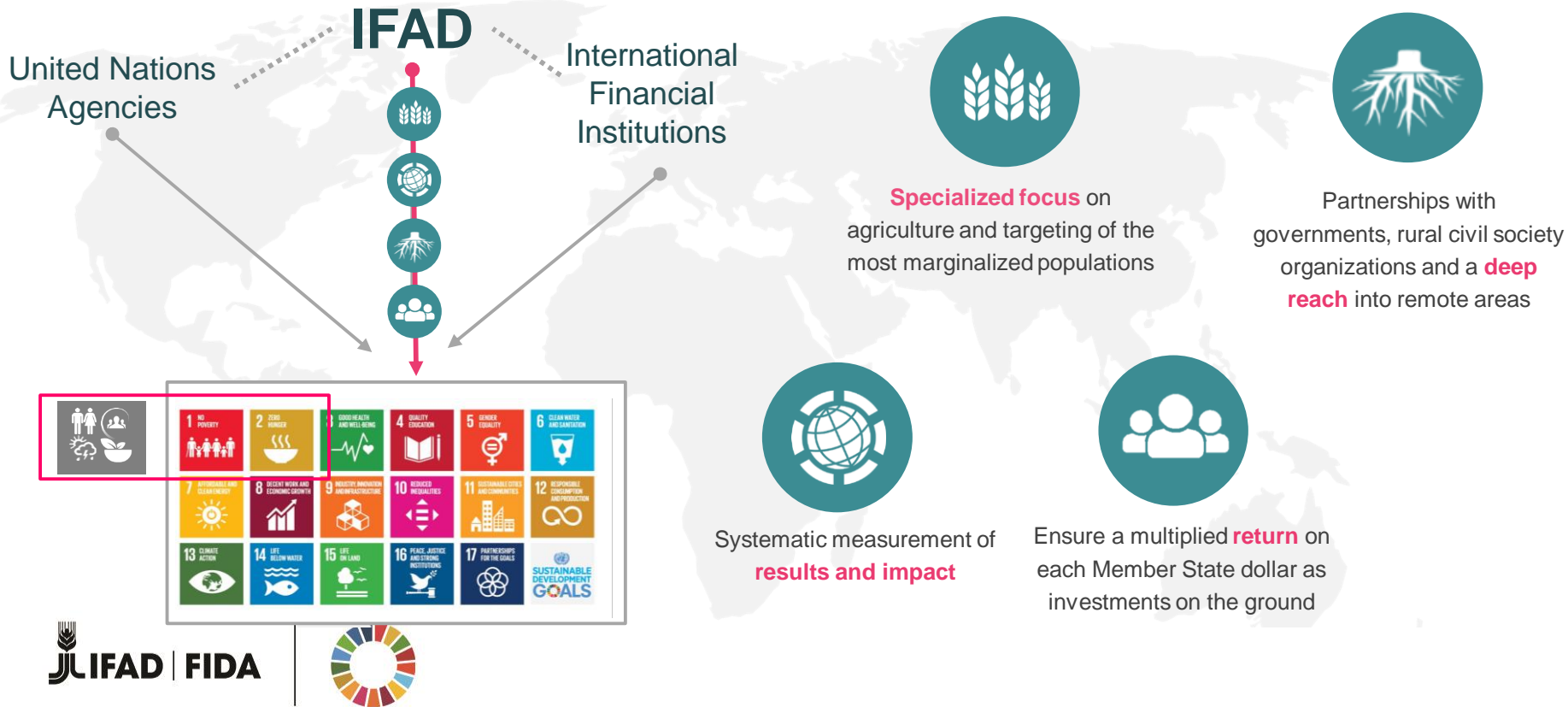
Exacerbated due to COVID19



Source: Lakner et al (2020), PovcalNet, Global Economic Prospects. • Extreme poverty is measured as the number of people living on less than \$1.90 per day.



IFAD's value proposition: IFAD's role in closing the gap



Translating this to impact on the ground through our toolkit

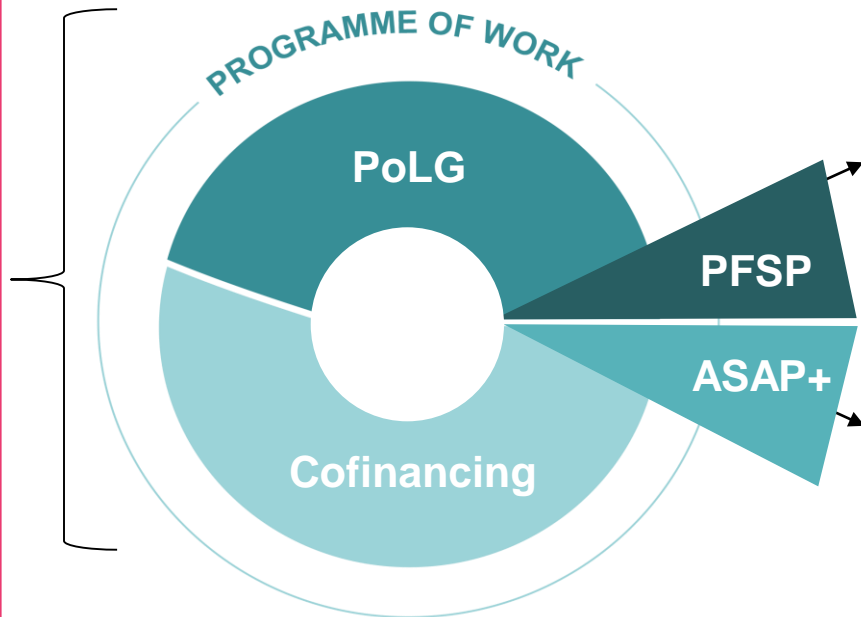
New **products**
(RTA, RBL, RLO)

A **country level**
programmatic
approach

Strengthened
partnerships at the
country level

Stronger policy
engagement

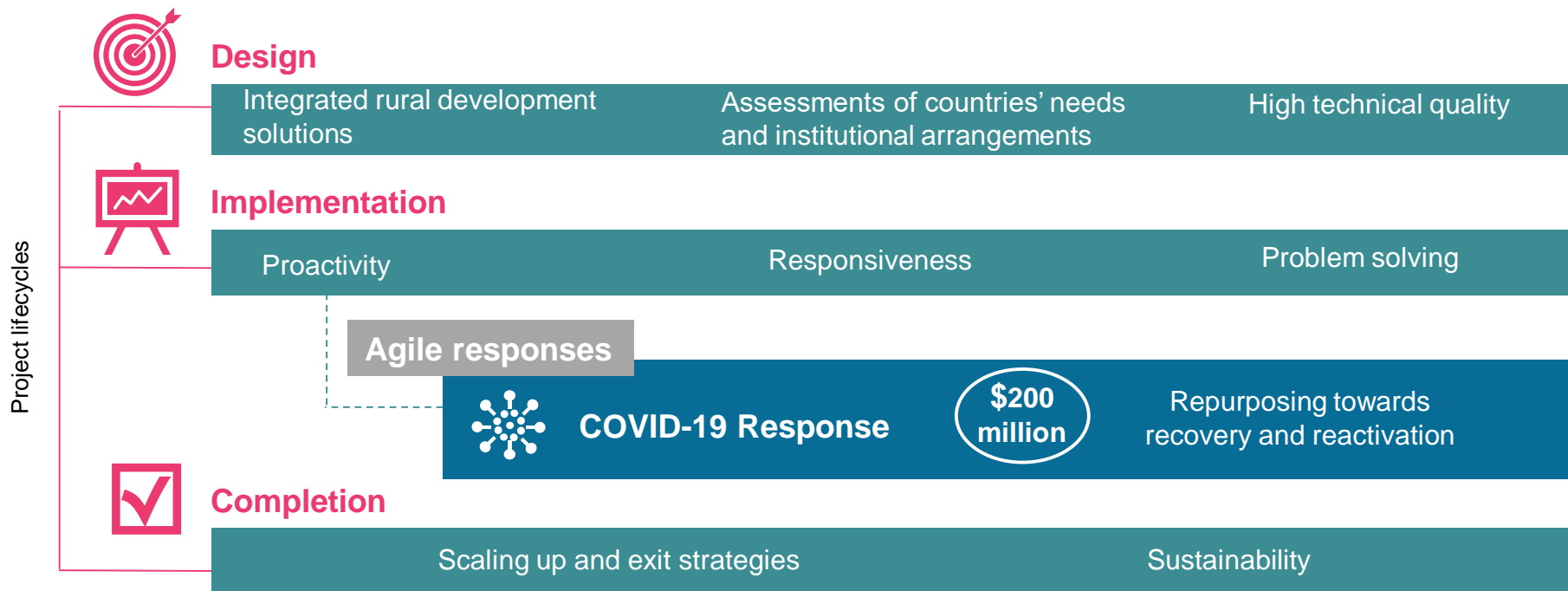
Bringing **credible**
knowledge to the
ground



- New instrument to catalyse private funding for rural MSEs
- Complementarity with PoLG
- Ambition to raise up to US\$200 mln

- Building on experience with ASAP1 & ASAP2
- Part of Rural Resilience Programme
- Ambition to raise up to US\$500 mln

Focusing on high-quality delivery



Leaving no one behind

Mainstreaming



- Systematization and further integration in country-level approach
- Increased mainstreaming targets (40% climate finance and 35% gender transformative)
- New biodiversity strategy in IFAD12
- Strengthened engagement with persons with disabilities and indigenous peoples

Fragile situations



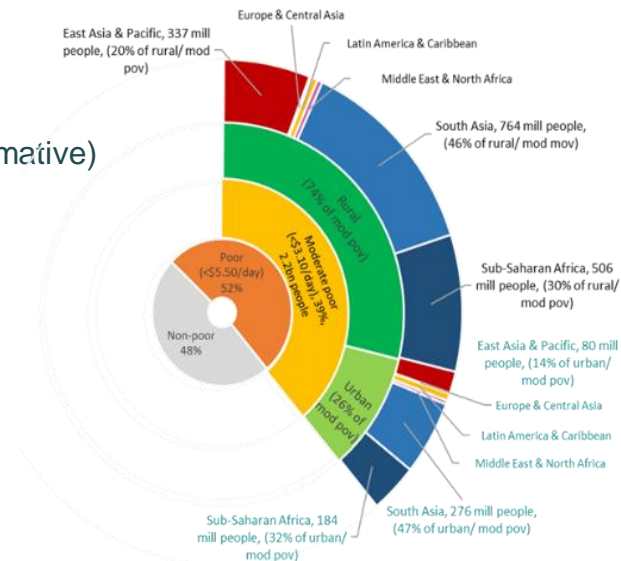
- Building on its Strategy for Engagement and Special Programme
- Transforming planning, tools, and delivery including through 2RP
- Allocating at least 25% of core resources to countries with fragile situations

Targeting



- Revised Targeting Policy to consolidate new areas of focus

Rural and urban poverty as % of population



Climate finance: why should we investing in rural people?



Climate change leads to conflict and forced migration.



It is more cost effective to invest in adaptation (ex –ante) than disaster relief (ex post).



Climate change impacts are not spread equally – and neither is the help!

Investing in rural small scale producers is a **GLOBAL PUBLIC GOOD**. Why?



Global food security

Smallholders produce 30–34 per cent of the global food supply



Resilience

Diversification leads to greater global resilience



Nature based solutions

Opportunities in agriculture (agro-ecological approaches)



Co-benefits

Mitigation, gender empowerment and nutrition

Adaptation for Small holder farmers (ASAP) results

13 CLIMATE ACTION



Additionally sequester over 60 million tons of carbon dioxide equivalents.

6 million people additionally cope with the effects of climate change.

Brought additionally more than one million hectares of land under climate-resilient practices.

The Independent MTR shows that ASAP has made good progress in achieving its targets with notable success in establishing 'hardware'; for example, water technologies and productive infrastructure, as well as implementing interventions that improve or conserve natural resources.

The Rural Resilience Programme

ASAP+

Increase resilience
and reduce GHG

3S

Reduce migration

GCF-
GGW
UP

Food security and
nutrition, jobs for
youth

Climate transparency so far: Quality of international assistance?

QuODA 2021 Dimensions and Indicators

Provider	QuODA Ranks		Dimension Ranks			
	Overall	Bi Multi	Prioritisation	Ownership	Transparency & Untying	Evaluation
IFAD	1	1	7	4	1	4
AfDF	2	2	2	2	7	19
IDA	3	3	4	8	8	12
Global Fund	4	4	1	6	31	26
Gavi	5	5	3	19	4	31
Sweden	6	1	18	23	6	1
UNDP	7	6	5	24	13	20
Finland	8	2	16	15	10	7
Denmark	9	3	13	22	11	9
Canada	10	4	30	13	3	18
WHO	11	7	15	35	2	14
AsDB	12	8	8	1	38	22
Belgium	13	5	10	21	16	16
EU Institutions	14	9	35	30	5	3
UNICEF	15	10	9	16	19	27
United Kingdom	16	6	12	37	12	10
Ireland	17	7	6	12	33	28
South Korea	18	8	20	3	41	8
Netherlands	19	9	17	34	23	5
Iceland	20	10	11	5	35	33
Australia	21	11	42	11	29	6
Luxembourg	22	12	27	18	27	13
New Zealand	23	13	46	20	26	2
CIF	24	11	31	NA	18	NA
Norway	25	14	29	32	9	34
ILO	26	12	14	40	34	17
Switzerland	27	15	40	31	25	11
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IFAD is ranked *first* on ownership, prioritization, transparency, evaluation.



Rural Development Report (RDR)

Food systems as they currently operate globally, nationally and locally are **failing** to deliver desired outcomes for:



the **climate and the environment**



nutrition and human health



social welfare and **livelihoods**

Opportunities for **food system transformation** largely depend on:

Rural transformation, i.e. the exploitation of potential agricultural productivity (reducing yield gaps and improving labour productivity).

Structural transformation, shifts in labour use from agriculture to off-farm and non-farm employment – there is an untapped potential of the food system **midstream**.



Recommendations for a food systems transformation

Three foundations for change need to align:




Food systems
governance

Inclusive markets

Empowered rural people

- **Governance and regulations** - “Improved regulations and conditions for rural labour, on and off the farm, will be needed to improve incomes”.
- **Investment** - Adequate rural infrastructure.
- **Technological Innovation:** Digital and frontier technologies can support system change.
- **Capacity: Educational institutions** have to teach not only basic technical digital skills but also advanced cognitive skills and noncognitive skills for smallholder farmers to become successful agrifood entrepreneurs.

IFAD12: An evolving business model to maximise impact

	IFAD10	IFAD11	IFAD12
Transformational Country Programmes 	<p>PoLG;</p> <p>Average IFAD project financing: \$31 million</p> <p>Co-financing ratio: 1:0.87</p>	<p>Fully programmed PoLG; Results Based Lending</p> <p>Average IFAD financing: US\$40 million</p> <p>Co-financing ratio: 1:1.4</p> <p>90% LICs LMICs/ 10% UMICs</p>	<p>New instruments: ASAP+ & PSFP</p> <p>Average IFAD financing: tracked, flexible</p> <p>Co-financing ratio: 1:1.5</p> <p>100% core LICs/LMICs</p> <p>Priorities incl. Persons with Disabilities, Indigenous Peoples and ICT4D</p>
Institutional Framework 	<p>HQ based</p> <p>Strengthening service delivery platform (HR; ICT)</p>	<p>Decentralization of IFAD's workforce; Hubs & ICOs to 32% of IFAD staff in the field</p> <p>Business process reengineering</p>	<p>Continued decentralization: from 32% to 45%</p> <p>Improving efficiency and boosting capacity in the field</p>
Financial Framework 	<p>Core contributions, DSF compensation</p> <p>UCCs</p> <p>Sovereign loans</p>	<p>Core contributions, DSF compensations</p> <p>UCCs</p> <p>Sovereign loans and CPLs</p>	<p>Core contributions (including DSF compensation)</p> <p>Integrated borrowing framework and New Liquidity Policy</p> <p>ASAP+ and PSFP</p>

Thank you!

