



## BRAZIL – Country Strategic Opportunities Program 2024-2029

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# I. Context: Opportunities and Challenges

- ✓ Brazil, the largest upper-middle-income (UMIC) country in Latin America, covers 8.51 million km<sup>2</sup> and is the world's most biodiverse nation, housing 15% of global biodiversity
- ✓ It is the fourth-largest global agricultural producer, contributing 7.5% to worldwide exports.
- ✓ Among its 5.07 million farms, 76% are family-owned, supporting 67% of the agricultural workforce and generating 23% of total agricultural output.
- ✓ Brazil holds the current G20 presidency and has proposed the creation of a task force for a Global Alliance Against Hunger and Poverty to gather funds and knowledge for public policies.
- ✓ The current government administration's priorities fit well with IFAD's mission. Over US\$70 billion has been allocated for supporting small and large farmers, with a strong emphasis on innovation and climate action.



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delineation of the borders or boundaries of the authorities thereof.  
IFAD  
Map compiled by IFAD | 06-05-2024

**Brazil became a UMIC in 2009** and has maintained that status since then.

**MAIN EXPORTS:**  
Soybeans Crude Petroleum, Iron Ore, Refined Petroleum and Corn

- ⚠ Despite being the world's ninth-largest economy, **Brazil remains one of the most unequal countries**, with a Gini index of 0.518 in 2023.
- ⚠ **The Northeast**, housing 26.9% of the population (54.6 million people), **is Brazil's poorest region** and the largest poverty concentration in Latin America, with 50% living in poverty and 68% facing food insecurity.
- ⚠ The Northeast region is also the **most vulnerable to climate change** in Brazil.
- ⚠ Declining biomass and biodiversity. The **Atlantic Forest** has been **reduced to just 12%** of its original size, and the **Brazilian Amazon** has lost **about 17%** of its forest area.
- ⚠ Climate change could **cut rainfall** in these regions **by up to 40%**, causing severe droughts, habitat loss, and threatening the livelihoods of **over 30 million people**.

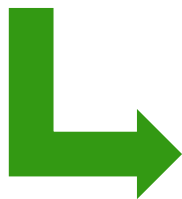


## II. IFAD in Brazil: Funded and Non Funded

- ✓ IFAD has been in Brazil since 1980, mainly in the Northeast region, with a portfolio of **US\$1,365 million**, contributing **US\$314 million**.
- ✓ Current portfolio involves 5 ongoing projects and 1 recently approved for a total of **US\$ 682 million**. Three new projects set for approval before year end.
- ✓ **Diversified partnerships with both public and private actors** to enhance inclusive rural development programmes.
- ✓ **Facilitated knowledge exchange and capacity building through South-South Triangular Cooperation and Knowledge Management** activities.

# III. COSOP 2024-29 : Objectives

- 1 Improve sustainable agricultural production, food security, nutrition and market access with a focus on environmental and climate sustainability.
- 2 Enhance public policies and programmes through evidence-based revision and scaling of best practices.
- 3 Strengthen the capacities of government institutions and organizations of the rural poor to drive inclusive and sustainable rural development.



## New Engagement Approach

- ✓ Address poverty reduction through **Climate Adaptation and Resilience**
- ✓ Broadened geographical coverage beyond **Semiarid: Amazon and Atlantic Forest**
- ✓ Stronger assembler of **sustainable finance** and diversified **partnerships**, including subnational entities and public development banks
- ✓ Revamped **South-South Triangular Cooperation and Knowledge Management**



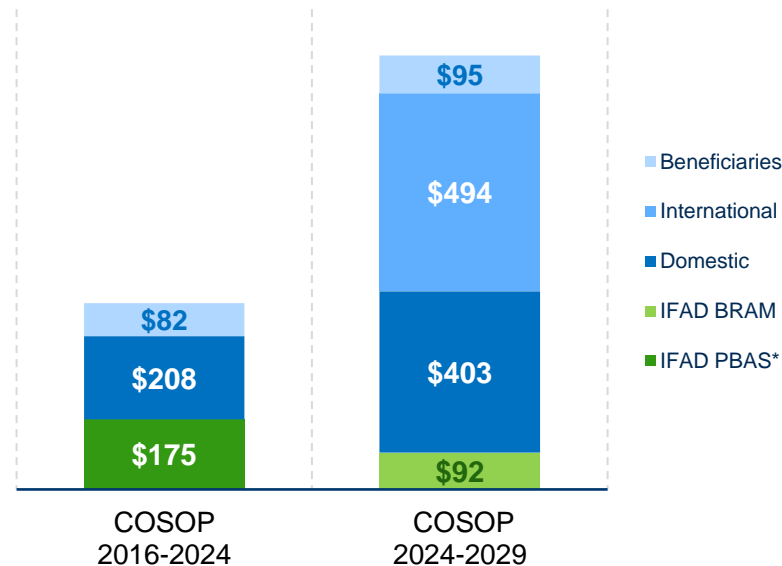
# III. COSOP 2024-29: Ambition

	COSOP 2016 - 2024	COSOP 2024 - 2029
Co-financing ratio	1 : 2.6	1 : 7.4
Outreach	1.2 million people	2.8 million people

Increase Mainstreaming	IFAD Global Goal	IFAD Brazil Projects Outreach
Gender Transformative	35 %	66 %
Youth Sensitive	75 %	77 %
Nutrition sensitive	60 %	88 %
Climate Finance	40 %	88 %

## High demand for IFAD: doing more with less

Millions, US Dollar, IFAD 9, 10, 11



# III. COSOP 2024-29: UMIC Tailored Approach



**Strengthen public policies, institutions and programs** for **inclusive** poverty reduction and enhanced **policy impact and targeting**



**Diversification of partners** to engage closer to subnational governments and Public and National Development Banks



**Leverage IFAD funding** with large co-financing to **upscale** best practices using **IFAD targeting and mainstreaming priorities and technical expertise**



**Development of innovations**, especially in the context of agroecology, environment and climate change combined with **strong integrated knowledge management (KM)**



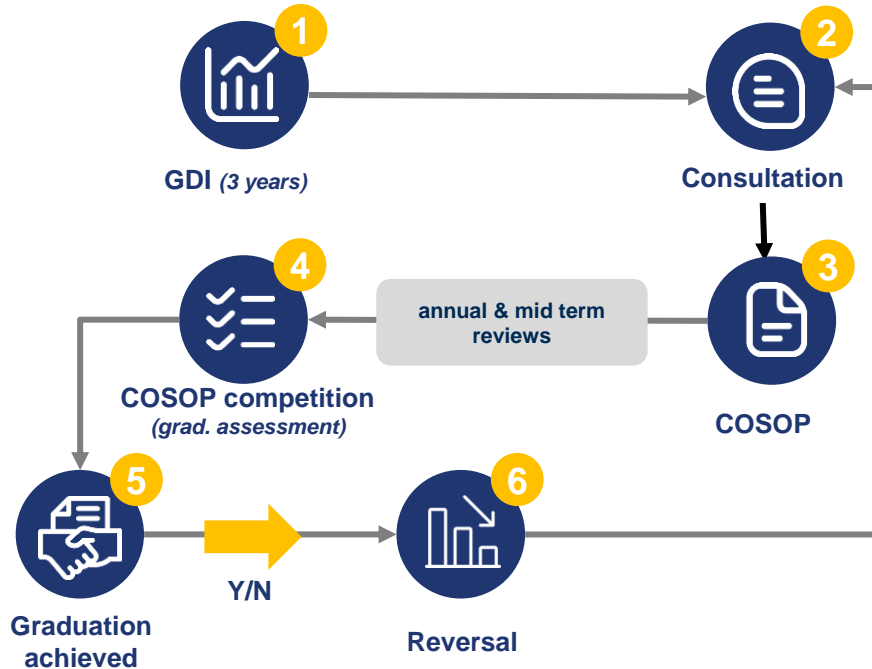
Partnerships **with the private sector** to generate permanent and sustainable relations



Increased **SSTC** through IFAD's SSTC and Knowledge Center in Brasilia.

# IV. Graduation Policy

## Graduation Assessment Process



## Graduation Criteria



**Ability to access external capital for development**

Willingness of capital markets to lend at reasonable terms



**Progress in establishing and sustaining key institutions and policies for sustainable and equitable socio-economic rural development**






**IFAD's mandate  
SDGs**





# IV. Graduation Policy: Criteria Assessment Indicators

		COSOP			
	Criteria	Indicator	Baseline	Midterm benchmark	COSOP Completion target
	<b>Access to international capital markets</b>	Credit rating (long-term, Fitch)	BB <i>(Jan 2024)</i>	BBB	A
	<b>Institutions/policies for sustainable rural development</b>	Overall RSPA* rating	4 <i>(2021)</i>	4.2	4.5
		(1.1) Policies/frameworks	4.5	4.5	4.7
		(3.2) Climate change policies	3.7	4	4.2-3
		(4.1) Access/use of rural financial services	3	3.9	4.2
	<b>SDG 1: No poverty</b> <a href="#">(World Bank)</a>	Poverty headcount ratio at national poverty lines (% of population)	28.4 <i>(2021)</i>	27.0	25.0
	<b>SDG 2: Zero Hunger</b> <a href="#">(FAOSTAT)</a>	Prevalence of undernourishment (% population)	4.7 <i>(2020–2022)</i>	3.8	3.0
	<b>SDG 5: Gender equality</b> <a href="#">(OECD Data)</a>	1. Women in parliament (%)	15.2 <i>(2021)</i>	19	22.6
		<a href="#">(UN Reporting)</a>	2. Proportion of time spent in unpaid domestic and care work, female	12	11
	<b>SDG 10: Reduced inequalities</b> <b>UNDP</b>	Income share of lowest 40%	6.03 <i>(2021)</i>	6.03	6.05

# THANK YOU

IFAD Brazil

New Country  
Strategic  
Opportunities  
Programme  
(2024 –2029)

COSOP

 IFAD | FIDA

