



## Executive Board Consultation

Inclusive Financial Ecosystem for Food Systems Transformation (IFE4FST) – Grant financed

# Table of Contents

- I. Objective and rationale
- II. Expected results and main features
- III. Implementation stages



# I. Objective and Rationale



Strengthen **National Development Banks' (NDBs)** capacities to deliver effective, tailored financial services that meet the unique needs of smallholder farmers.

## The challenge



**Financing gap:** An additional **\$300–\$350 billion\*** per year is needed for sustainable agriculture, climate resilience, and rural infrastructure.



**Limited access to finance for small-scale farmers:** High costs and risks limit small farmers' access to finance, reducing their ability to invest in productivity, adopt sustainable practices, and build resilience.

## The opportunity



**National Development Banks' potential:** NDBs finance over two-thirds of global food systems and, with the right support, have the potential to drive transformative change in rural finance.



**All-hands-on-deck:** Transforming food systems requires coordination among public, private, and philanthropic actors to build an inclusive, resilient financial ecosystem.

**IFAD's role:** IFAD can connect NDBs and other actors in the **Inclusive Financial Ecosystem**, including small-scale farmers, to unlock financial solutions for sustainable food systems.

# II. Expected Results and Main Features

## Expected results

- Create **scalable, replicable financial solutions**, based on best practices and **knowledge sharing**, through **partnerships** between NDBs and other Inclusive Financial Ecosystem (IFE) actors.
- Identify future **potential interventions and projects** that could be co-financed with NDBs to **improve financial access for rural smallholders**.

✓ **IFAD Regular Grant: US\$ 1,200,000**  
+ in-kind co-financing: **US\$ 300,000**

✓ **Recipient: *Rabo Partnerships***   
(Private Sector, NL)

✓ **Target Groups:**



NDBs & Other IFE actors



Small-scale farmers

## LAC

Ecuador



Mexico



Bolivia



Colombia



## APR

Pakistan



Bangladesh



Vietnam



India



Philippines



Strategic Partners:



# III. Implementation (4 stages, 2 years)

## › C1. Inception



- ✔ Problem analysis in 9 target countries
- ✔ **Selection of 6 NDBs (3 LAC + 3 APR)**
- ✔ 2 regional roundtables to initiate dialogue between NDBs and other IFE actors



## › C2. Solution design



- ✔ **Identification of best practices** from NDBs, customization to address specific challenges.
- ✔ **Development of a toolkit** for advancing partnerships and blended finance solutions



## › C4. Dissemination



- ✔ **Toolkit finalization** combining findings from preceding phases
- ✔ **2 regional conferences** with NDBs and other IFE actors
- ✔ Knowledge sharing via Agri-PDB platform



## › C3. Execution



- ✔ **Facilitation of dialogues** to adapt the toolkit to local contexts
- ✔ **Pilot innovative financial solutions in 2 countries**
- ✔ **Development of a pipeline** of potential interventions



Thank you

