



Executive Board Consultation

Financial Inclusion for Resilience and Innovation Project (FIRIP) | Zambia

FIRIP AT A GLANCE



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 delimitation of the frontiers or boundaries, or the authorities thereof.
 IFAD Map compiled by IFAD | 25-06-2024

Duration	7 years
Project Area	National
Financing	<p>Total Costs: US\$49.87 million</p> <ul style="list-style-type: none"> • GRZ: US\$2.2 million • IFAD Loan 1: US\$8.90 million • IFAD Loan 2: US\$21.1 million • Strategic Partners: US\$0.3 million • Private Sector: US\$ 12.3 million • Beneficiaries' contribution: US\$5 million
Co-financing Ratio	Domestic: 1: 0.66
Implementing Agency	Ministry of Finance and National Planning
Beneficiaries	370,110 HH

PROJECT RATIONALE

Problem Context



- Limited **diversity and quality in financial services** tailored for smallholders, women, youth, and rural MSMEs.



- Low **financial inclusion**, 40% of farmers remain financially excluded; formal agricultural credit accessed by less than 0.5% in 2023.



- Droughts, floods, and macro-economic **risks threaten livelihoods dependent on agriculture** (60% of the population).



Project Logic

- **Enhanced access to client-centric financial services** tailored for smallholders, women, youth, and MSMEs.

- Strengthening sustainable **use, affordability, and diversity of financial services**.

- Supporting **resilient livelihoods and investments** that improve productivity and climate change adaptation.

PROJECT COMPONENTS

COMPONENT 1:

Improved availability and uptake of sustainable client-centric rural financial services



- Set up a **demand-driven** Innovation and Outreach Facility (IOF), with 3 Windows on rural outreach, smallholder agriculture and green Investments.
- Establish a **Blending Finance Facility** to mobilize private capital for agriculture and green investments



COMPONENT 2:

Enhanced enabling environment for inclusive rural financial services



- Support to development of new policies, laws, and regulations



- Strengthen policy coordination and coherence



- Strengthening institutional and implementation capacity of key macro and meso-level actors

COMPONENT 3:

Institutional support and project coordination




- Coordination of **project activities to ensure alignment** with objectives and timelines.



- Knowledge management to capture, disseminate, and apply lessons learned throughout the project lifecycle.

SPECIAL FEATURES

Mainstreaming Themes	Building on Good Practices	Partnerships & Strategic Alignment
<ul style="list-style-type: none"> IFAD climate finance of US\$12.9 million 	<ul style="list-style-type: none"> Utilizes the success of RUFEP's agent networks and DFS to enhance rural financial access. 	<ul style="list-style-type: none"> Contributing to SDGs: 
<ul style="list-style-type: none"> Gender Transformative: livelihoods investments targeted at women 	<ul style="list-style-type: none"> Aligns with Zambia's gender policies and the National Youth Policy (2024), integrating gender analyses into programmes. 	<ul style="list-style-type: none"> Aligns with national gender policies and development plans, building on partnerships that promote gender equality and women's empowerment in rural development.
<ul style="list-style-type: none"> Youth: Support the development and uptake of a broader range of youth-centric financial services to foster self-employment 	<ul style="list-style-type: none"> Complements EU's Enterprise Challenge Fund II and GIZ's CREATE II, focusing on climate resilience and inclusive value chains 	<ul style="list-style-type: none"> Introduces youth-centric financial services for self-employment, enhances digital and financial literacy, supports entrepreneurship, and boosts youth participation.



Thank You

