



Application of the Performance Based Allocation System for IFAD11

Informal Executive Board Seminar, 11 December 2018

Today's presentation

I. IFAD11 formula and resulting allocations by country grouping

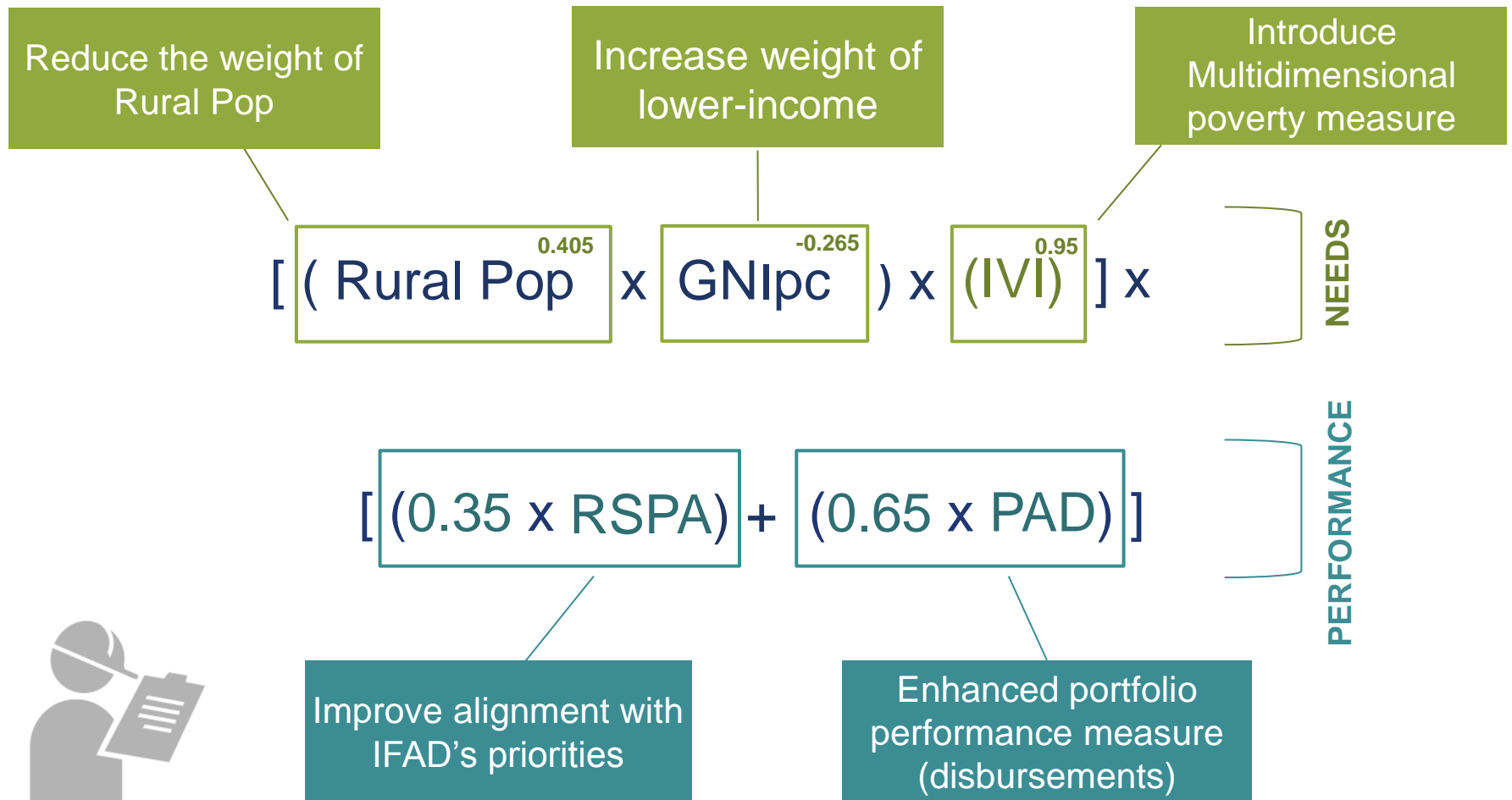
slides 3-7

II. Proposed adjustments to DSF proportions

slides 9-11



IFAD11 formula revision enhances focus on poorest countries



Country selectivity is applied for more efficient resource use

Country selectivity criteria

Strategic focus

CSN or COSOP

Absorptive capacity

Disbursements

Ownership

No pending signature



Allocations are derived from application of formula to all countries

IFAD 11 formula transparently applied

East and Southern Africa

IFAD11 PBAS formula variables

Country	GNIpc 2017 (US\$) ¹	Rural population 2017	IVI score (2019-2021)	RSPA score 2018	PAD score 2018
Angola ^{10,11}	3 330	16 209 154	1.56	3.29	3.26
Burundi ^{5,11}	290	9 488 071	1.6	3.22	5.46
Comoros ^{5,8,11}	760	581 613	1.45	2.95	
Eritrea ^{5,11}	1083	5 085 602	1.78	1.93	5.88
Ethiopia ¹¹	740	83 568 162	1.56	3.47	5.96
Kenya ⁷	1440	36 532 381	1.51	3.91	5.63
Lesotho ^{7,11}	1 280	1 599 696	1.31	3.54	4.52
Madagascar ¹¹	400	16 269 226	1.66	3.43	5.93
Malawi ¹¹	320	15 521 896	1.6	3.53	5.88
Mozambique ^{5,11}	420	19 932 709	1.67	3.64	5.64
Rwanda ¹¹	720	8 456 641	1.54	4.06	5.94
South Sudan ⁵	546	10 152 625	1	1.87	1
United Republic of Tanzania ¹¹	905.24	38 384 531	1.56	3.66	5.63
Uganda ¹¹	600	35 664 553	1.59	3.73	5.64
Zambia ^{6,7,11}	1 300	9 941 946	1.45	3.69	4.49
Zimbabwe ⁵	910	11 206 118	1.63	3.26	3.01

Core of IFAD11 Business Model

Key dimensions

IFAD11 focus

Resource mobilization

Assembling development finance to maximize impact



Resource allocation

Focusing on the poorest people in the poorest countries



Resource utilization

Doing development differently



Transforming Resources

Embracing a culture of results and innovation



Resulting allocations meet IFAD 11 commitments

IFAD11 Commitment (February 2018)

Africa 50%
SSA 45%

MFS 25-30%

LICs + LMICs 90%

UMICs 10%

Highly Concessional
terms ≈ 66%

Core Resources (December 2018)

Africa 62%
SSA 59%

MFS 29%

LICs + LMICs 90%

UMICs 10%

Highly Concessional
terms 65%



- ✓ Increased resources to Africa
- ✓ Increased resources to Fragile Situations
- ✓ Focus of core resources to LICs and LMICs
- ✓ Majority of support at concessional terms

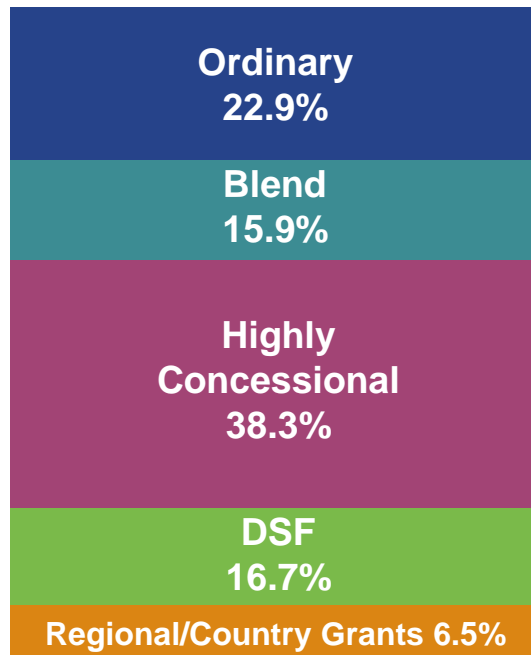
% of core resources

Proposed adjustments to DSF proportions

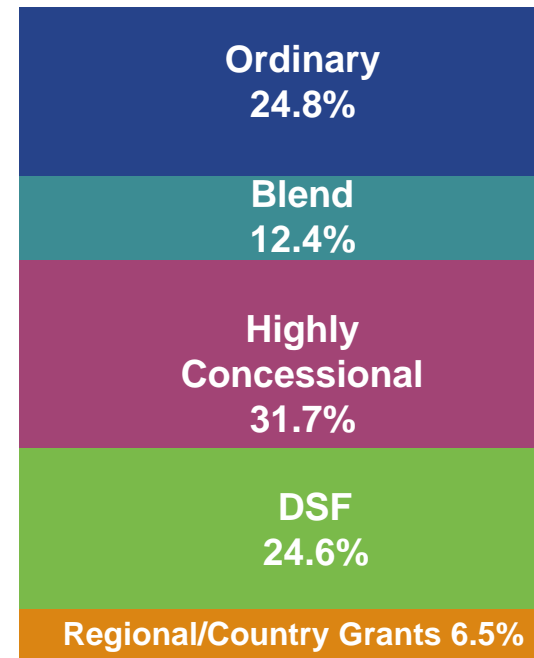


IFAD11 Formula application generates increased DSF share

IFAD11 Financial Framework (Replenishment Consultations 2017)



IFAD11 Formula Application (December 2018)

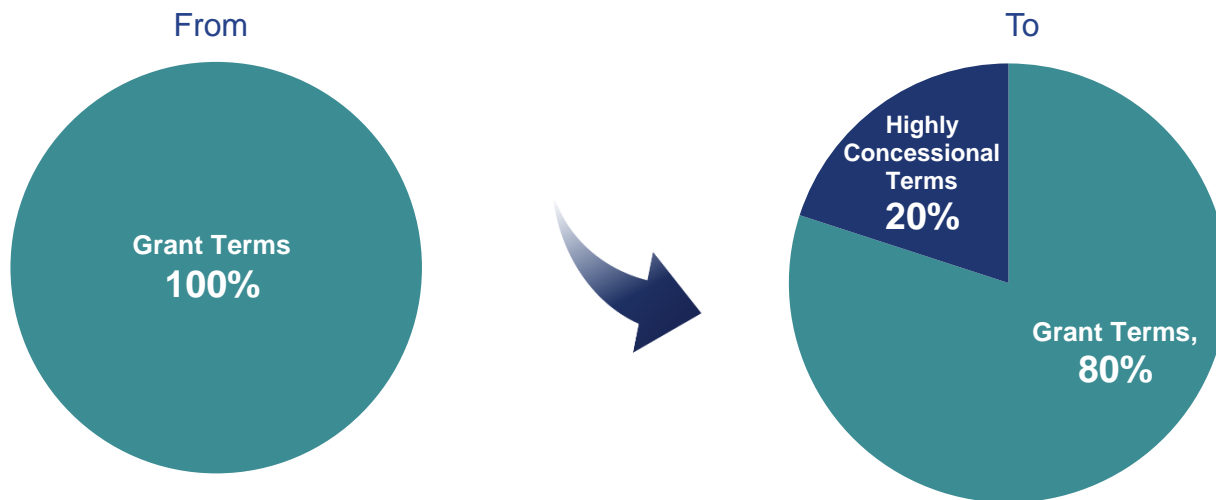


Long-term financial sustainability is impacted by increased share of DSF

% of total resources

Proposal to adjust percentage of grant financing as per the IFAD11 Financial Framework

High debt distressed countries (eligible for 100% grants)

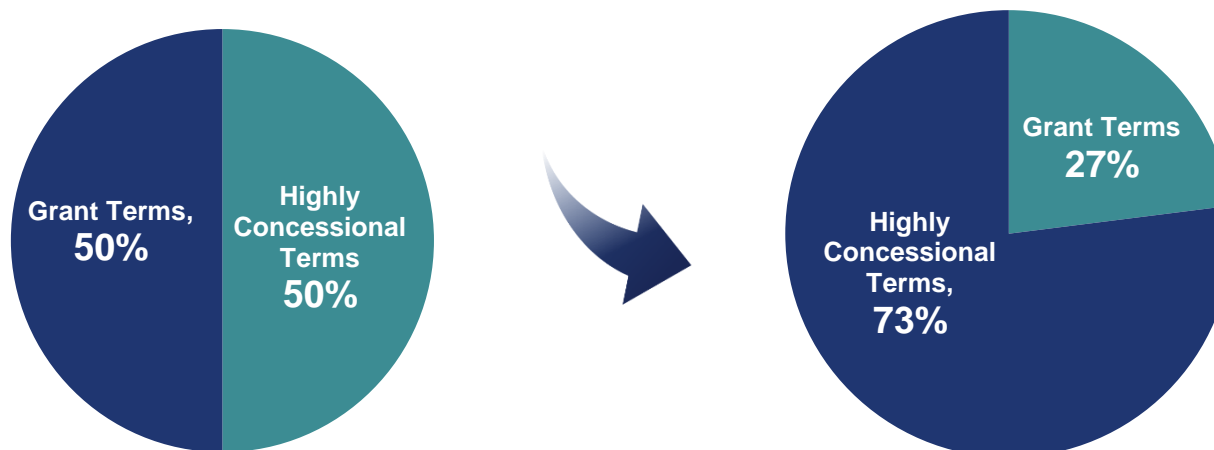


Overall level of concessionality



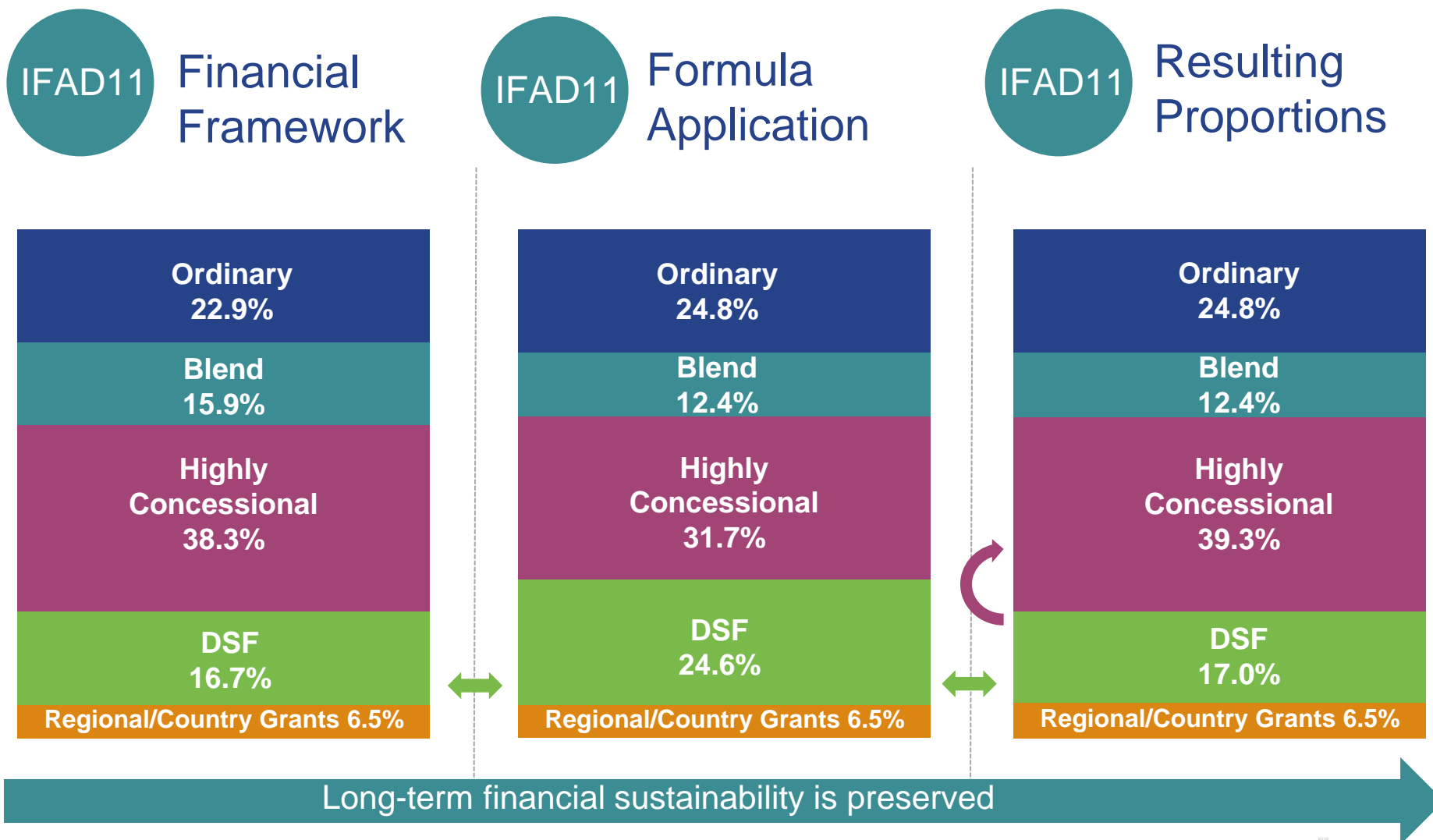
90%

Moderated debt distressed countries (eligible for 50% grants)



64%

Comparison of IFAD11 proportions by financing terms





Any questions?

Thank you for your attention
