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Investing in rural people

## IFAD Transition Framework and the Technical Note on the Phasing-out/Phasing-in Mechanism

### Addendum

Executive Board — 125<sup>th</sup> Session  
Rome, 12-14 December 2018

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For: Approval

# IFAD Transition Framework and the Technical Note on the Phasing-out/Phasing-in Mechanism

## Addendum

### IFAD Transition Framework

1. The attention of the Executive Board is drawn to the following addition to the IFAD Transition Framework (EB 2018/125/R.7), which reflects clarifications requested by the representative for India, a member of the Working Group on the Transition Framework.

For ease of reference, the newly added text to the document is shown in boldface.

Page 3, footnote 4:

"See addendum 1: Technical Note on the Phasing-out/Phasing-in Mechanism. The mechanism will apply for countries that are eligible for less concessional lending terms from IFAD11 onwards (i.e. that are subject to a change in financing terms from 2019 onwards). Therefore, it does not have retroactive effect from its approval date."

### Technical Note on the Phasing-out/Phasing-in Mechanism

2. The above addition is a result of the clarification provided in the first addendum to the Transition Framework document, the Technical note on Phasing-out/Phasing in Mechanism (EB 2018/125/R.7/Add.1), as indicated below for the Board's information.

A new bullet point is added to the recommendation box:

- The mechanism will apply for countries that are eligible for less concessional lending terms from IFAD11 onwards (i.e. that are subject to a change in financing terms from 2019 onwards). Therefore, it does not have retroactive effect from its approval date.

Page 3, paragraph 13 is amended as follows:

"From a legal standpoint, the new methodology is in line with the Policies and Criteria for IFAD Financing, which were revised to this end in February 2018. The mechanism will apply for countries that are eligible for less concessional lending terms from IFAD11 onwards (i.e. that are subject to a change in financing terms from 2019 onwards). Therefore, it does not have retroactive effect from its approval date."