

Document: EB 2021/132/INF.7  
Date: 17 March 2021  
Distribution: Public  
Original: English

**E**



## **Report on the Fourth Session of the Consultation on the Twelfth Replenishment of IFAD's Resources**

### **Note to Executive Board representatives**

#### Focal points:

#### Technical questions:

**Ronald Hartman**  
Director  
Global Engagement, Partnerships and Resource  
Mobilization Division  
Tel.: +39 06 5459 2610  
Mob.: +39 331 684 7665  
e-mail: r.hartman@ifad.org

**Leon Williams**  
Senior Partnership Officer, Replenishment  
Tel.: +39 06 5459 2809  
Mob.: +39 366 783 5759  
e-mail: l.williams@ifad.org

#### Dispatch of documentation:

**Deirdre Mc Grenra**  
Chief  
Institutional Governance and  
Member Relations  
Tel.: +39 06 5459 2374  
e-mail: gb@ifad.org

Executive Board – 132<sup>nd</sup> Session  
Rome, 19-21 April 2021

---

**For: Information**

## **Report on the Fourth Session of the Consultation on the Twelfth Replenishment of IFAD's Resources**

In accordance with resolution 211/XLIII on the Establishment of the Consultation on the Twelfth Replenishment of IFAD's Resources (IFAD12), requiring that the Executive Board be kept informed of the progress of the deliberations of the Consultation, the Chairperson's summaries of the two meetings of the fourth session are herewith provided in the annex to this document.

Document: IFAD12/4/INF.2  
 Date: 29 December 2020  
 Distribution: Public  
 Original: English

**E**

## Summary of the Chairperson: Fourth Session of the Consultation on the Twelfth Replenishment of IFAD's Resources

### Note to Consultation members

#### Focal points:

#### Technical questions:

##### **Kyle Peters**

External Chairperson  
 Tel: +1 202 247 5617  
 e-mail: r.peters@ifad.org

##### **Ronald Hartman**

Director  
 Global Engagement, Partnerships and Resource  
 Mobilization Division  
 Tel.: +39 06 5459 2610  
 Mob.: +39 331 684 7665  
 e-mail: r.hartman@ifad.org

##### **Leon Williams**

Senior Partnership Officer, Replenishment  
 Tel.: +39 06 5459 2809  
 Mob.: +39 366 783 5759  
 e-mail: l.williams@ifad.org

#### Dispatch of documentation:

##### **Deirdre Mc Grenra**

Chief  
 Institutional Governance and  
 Member Relations  
 Tel.: +39 06 5459 2374  
 e-mail: gb@ifad.org

Consultation on the Twelfth Replenishment of IFAD's Resources —  
 Fourth Session  
 Virtual meeting, 10-11 December 2020

---

For: **Information**

## **Summary of the Chairperson: Fourth Session of the Consultation on the Twelfth Replenishment of IFAD's Resources**

1. Members of the Consultation on the Twelfth Replenishment of IFAD's Resources (IFAD12), IFAD Management and staff convened the first meeting of the fourth Consultation session from 10 and 11 December 2020. The agenda focused on finalizing the IFAD12 Report and Resolution, and the formal start of IFAD12 pledging. Representatives from the World Bank, African Development Bank, Asian Development Bank and Green Climate Fund attended as observers.
2. Before the President's opening remarks, the Chairperson noted that while there is light on the horizon with the promise of a COVID-19 vaccine, it will take time to reach IFAD's core clients and the economic and social consequences of this shock will persist for years. Yet COVID-19 is just one of multiple crises they face and building resilience is critical: poor people – especially rural poor people – are the worst affected and the last to get help. The consequences of inadequate action are significant and likely to be long-lasting. The Consultation's deliberations and discussions have demonstrated that IFAD is one of the most effective institutions to reach and support them. The time to provide support is now.
3. In his opening statement, the President of IFAD recalled the 72<sup>nd</sup> anniversary of the Universal Declaration of Human Rights and the commitment to promote social progress and better standards of living for all, particularly those left behind. The President also mentioned the award of the Nobel Peace Prize to the World Food Programme as signaling global concern for hungry, poor and displaced people, and called on Member States to support a successful replenishment.
4. To celebrate the anniversary of the Universal Declaration of Human Rights, a short video featuring IFAD's work with indigenous peoples was presented to the Consultation members.
5. The agenda was adopted without amendment.

### **I. IFAD12 Report**

6. Management introduced the revised IFAD12 Report, focusing on changes made to the report since the third Consultation session on 19-21 October, and outlined next steps in the replenishment process.
7. Members welcomed the presentation and revisions made to the report. Most members noted that the revised draft report was a good reflection of the comments received since the Consultation session in October and presented a robust set of priorities and mainstreaming activities for IFAD12. Several members requested that a reference to the Paris Agreement be included, highlighting the relevance of IFAD's work to the United Nations Framework Convention on Climate Change. Members also indicated their general support for the proposal to reduce the level of regular grants and introduce a Debt Sustainability Framework reserve of US\$50 million, but requested clarification in the text about the agreed use of these funds. There were also other requests including to adjust wording in several places. Some members suggested increasing ambition in areas such as cofinancing and adopting digital agricultural approaches, and one member requested including a commitment to develop climate resilience scorecards. Management noted the already high level of ambition set for IFAD12 and that the climate resilience scorecards are already planned as part of the Adaptation for Smallholder Agriculture Programme (ASAP+) under the Rural Resilience Programme, building on work undertaken during ASAP1 and ASAP2.

8. Members welcomed the robust financial architecture that had been put in place and the financial framework for IFAD12, congratulating IFAD on the confirmation of its AA+ credit rating. There was support for maintaining scenario D and its related financial targets as the preferred scenario. It was noted that pledging would continue at the final meeting of the fourth IFAD12 Consultation session on 16 February 2021, and that Management would continue its work to mobilize further contributions after that, presenting an update on the status of contributions and the programme of loans and grants (PoLG) for IFAD12 to the Executive Board in September 2021.
9. Several members highlighted the importance of continuing the discussion regarding market borrowing and it was agreed to hold a discussion on the matter at the Executive Board session in April 2021. Noting the significant changes in IFAD's financial architecture and ambitious PoLG, one member highlighted the possible benefits of establishing an Executive Board subcommittee dedicated to the PoLG, and expanding the mandate of the Audit Committee to become an "Audit and Finance Committee".
10. Management revised the IFAD12 Report, taking into account the feedback received, and circulated a conference room paper indicating the changes. With the inclusion of these changes, the report – including financial targets, commitments matrix and results management framework – was adopted by consensus for submission to the Governing Council for approval in February 2021.

## **II. IFAD12 Resolution**

11. Management presented the revised IFAD12 Resolution, highlighting the main changes since the third session, including: the removal of the proposal for contributions to ASAP+ and the Private Sector Financing Programme (PSFP) to attract voting rights; updates to the early encashment mechanism; and removal of the reference to market borrowing. As next steps, Management outlined that following the Resolution's approval by the Governing Council, the effectiveness of the replenishment would occur when 50 per cent of the pledges received as of the cut-off date for the creation of replenishment votes (in mid-August 2021 – six months after the expected adoption of the resolution by the Governing Council) have been either paid or confirmed by an instrument of contribution (IOC). In this regard, Management encouraged Member States to pay contributions or deposit IOCs as early as possible to ensure timely effectiveness of the replenishment. The resolution also includes a provision for the Executive Board to declare effectiveness of the replenishment nine months after approval of the resolution, upon the recommendation of the President.
12. The IFAD12 Resolution was adopted for submission to the Governing Council without any amendment during the session, once updated with relevant targets for contributions and the IFAD12 PoLG in line with the approved IFAD12 Report.

## **III. IFAD12 pledging session**

13. The IFAD12 pledging session began on Friday, 11 December, taking note of the 12 official pledges already received before the session. A representative of the Holy See announced by video the Holy See's first-ever pledge of a special contribution to an IFAD replenishment. This was joined by the announcement of 13 other Member States pledging to IFAD12 and to ASAP+ and PSFP, with all members reiterating their support for an ambitious package that would enable IFAD to generate sustainable results for the most marginalized and vulnerable rural people. A number of countries across all Lists that could not pledge during this session indicated their intention to do so in February. Many noted their intention to pledge in line with scenario D or higher, and called on others to do the same.
14. The Consultation will re-convene on 16 February 2021 for a continuation of the IFAD12 pledging session.

#### **IV. Concluding statement**

15. In his closing statement, the President thanked Member States for the constructive dialogue and commitments to contribute to IFAD12, noting those countries that had significantly increased contributions and others that had returned as contributors to the Fund in IFAD12 after not contributing to the previous cycle. The President also reiterated the need to minimize the gap between the pledges received and the target by the February session, and that the September Executive Board session would provide an opportunity to review the status of contributions and finalize the level of the IFAD12 PoLG.
16. The Chairperson then summarized the highlights of the discussion, outlined next steps and thanked Member States, interpreters, IFAD Management and staff for their contributions to the success of the meeting. The fourth session will be reconvened on 16 February 2021 to continue the pledging process.

Document: IFAD12/4(R)/INF.1  
 Date: 5 March 2021  
 Distribution: Public  
 Original: English

**E**

## Summary of the Chairperson: Reconvened Fourth Session of the Consultation on the Twelfth Replenishment of IFAD's Resources

### Note to Consultation members

#### Focal points:

#### Technical questions:

##### **Kyle Peters**

External Chairperson  
 Tel: +1 202 247 5617  
 e-mail: r.peters@ifad.org

##### **Ronald Hartman**

Director  
 Global Engagement, Partnerships and Resource  
 Mobilization Division  
 Tel.: +39 06 5459 2610  
 Mob.: +39 331 684 7665  
 e-mail: r.hartman@ifad.org

##### **Leon Williams**

Senior Partnership Officer, Replenishment  
 Tel.: +39 06 5459 2809  
 Mob.: +39 366 783 5759  
 e-mail: l.williams@ifad.org

#### Dispatch of documentation:

##### **Deirdre Mc Grenra**

Chief  
 Institutional Governance and  
 Member Relations  
 Tel.: +39 06 5459 2374  
 e-mail: gb@ifad.org

Consultation on the Twelfth Replenishment of IFAD's Resources —  
 Reconvened Fourth Session

Virtual meeting, 16 February 2021

---

**For: Information**

## **Summary of the Chairperson: Reconvened Fourth Session of the Consultation on the Twelfth Replenishment of IFAD's Resources**

1. IFAD's Member States, Management and staff reconvened on 16 February 2021 for a continuation of the Twelfth Replenishment of IFAD's Resources (IFAD12) pledging session. Representatives from the African Development Bank, Asian Development Bank, Green Climate Fund and World Bank attended as observers.
2. The Chairperson opened the meeting by taking stock of where the Consultation had left off in December and noting the growing number of borrowing countries pledging large increases in their contributions to the Fund.
3. In his opening statement, the President of IFAD thanked everyone for their engagement in the IFAD12 replenishment process. In particular, the President highlighted how a revised financial architecture, including a reformed Debt Sustainability Framework, the Integrated Borrowing Framework and the creation of a reserve for countries faced with special situations, will underpin IFAD12, maximizing resources for the poorest countries, respecting the principle of universality and ensuring financial sustainability. The President reiterated how the IFAD12 business model, with more decentralized staff and a broader toolkit that includes more innovation, greater engagement with the private sector, and increased ambition on its mainstreaming priorities and related critical issues such as biodiversity, will enable IFAD to maximize impact on the ground.
4. The agenda was adopted without amendment.

### **I. IFAD12 pledging session**

5. At the start of the pledging session, 49 official pledges had been received, totalling US\$447.1 million in core contributions and US\$24.5 million in pledges to the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+). By the end of the pledging session, 67 Member States had pledged a total of US\$1.115 billion in core contributions, including the grant element of the US\$88.6 million in pledges received in the form of concessional partner loans (CPLs), US\$25.5 million to ASAP+ and a first pledge of US\$1.1 million to the Private Sector Financing Programme (PSFP).<sup>1</sup>
6. Many members reiterated their commitment to IFAD's work and support for an ambitious package that would enable IFAD to play a major role in the recovery from the current crisis and increase its impact. A number of countries that could not pledge during this session expressed their support and indicated that internal processes were ongoing to confirm their pledges.
7. Management outlined that IFAD will continue to work with Member States to maximize pledges of core contributions and CPLs, as well as contributions to ASAP+ and the PSFP. An update on the status of contributions will be provided to the Executive Board in September 2021. Management urged Member States to submit instruments of contributions to ensure timely IFAD12 effectiveness.

### **II. Concluding statement**

8. In closing, the President thanked Member States for their pledges, noting the significant increases made under difficult circumstances around the world. The Chairperson then closed this final meeting of the IFAD12 Consultation, reflecting on the positive results and the great progress made since February 2020. The Chairperson thanked all Member States, the interpreters, the IFAD President, Management and staff for their efforts throughout the process, which will help IFAD make a greater and more lasting contribution to eradicating rural poverty and food insecurity.

---

<sup>1</sup> Full details available here: <https://webapps.ifad.org/members/gc/GC44/docs/GC-44-L-6-Add-1.pdf>.