
Consolidated financial statements of IFAD as at 31 December 2025

(including the Management assertion report and an independent external attestation on the effectiveness of internal controls over financial reporting)

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Action: The Executive Board is invited to approve the following decision:

In accordance with regulation XII(6) of the Financial Regulations of IFAD, the Executive Board is invited to approve the financial statements showing the financial position of IFAD as at 31 December 2025 and the results of its operations for the year ended on that date, as contained in appendices A to L inclusive of the current document and the external auditor's report thereon, and the attestation on the effectiveness of internal controls over financial reporting of the external auditor. The 2025 financial statements will be submitted to the Governing Council at its fiftieth session in February 2027 for information.

In accordance with Financial Regulation XIII and considering the financial position and results at the end of 2025, no transfer to the General Reserve should be made.

Technical questions:

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Notes:

The consolidated financial statements have been prepared using the symbols of the International Organization for Standardization.

Acronyms and abbreviations

AATI	African Agricultural Transformation Initiative
ABC Fund	Agribusiness Capital Fund
APO	associate professional officer
ASMCS	After-Service Medical Coverage Scheme
ASAP	Adaptation for Smallholder Agriculture Programme
BFFS.JP	Belgian Fund for Food Security Joint Programme
CPL	concessional partner loan
CRI	Crisis Response Initiative
DSF	Debt Sustainability Framework
DC	deployable capital
EAD	exposure at default
ECL	expected credit loss
FAO	Food and Agriculture Organization of the United Nations
FVTPL	fair value through profit and loss
FGWB	IFAD Fund for Gaza and the West Bank
GEF	Global Environment Facility
GCF	Green Climate Fund
IAS	International Accounting Standard (superseded by IFRS)
IFAD13	Thirteenth Replenishment of IFAD's Resources
IFRS	International Financial Reporting Standards
HIPC	Heavily Indebted Poor Countries
LGD	loss given default
MLR	minimum liquidity requirement
OFID	OPEC Fund for International Development
PCS	preferred creditor status
PD	probability of default
PIT	point-in-time
RAMP	Reserves Advisory and Management Program
RPSF	Rural Poor Stimulus Facility
PSTF	Private Sector Trust Fund
Spanish Trust Fund	Spanish Food Security Cofinancing Facility Trust Fund
SPA	Special Programme for sub-Saharan African Countries Affected by Drought and Desertification
SDR	special drawing rights
S&P	Standard & Poor's
TTC	through-the-cycle
UNJSPF	United Nations Joint Staff Pension Fund

Consolidated financial statements of IFAD as at 31 December 2025 and for the period ended 31 December 2025

(including a Management assertion report and an independent external attestation on the effectiveness of internal controls over financial reporting)

1. In accordance with article 6, section 11 of the Agreement Establishing IFAD, the consolidated financial statements will form part of IFAD's 2025 Annual Report. As in previous years, a note will be inserted in accordance with the above recommendation for approval.
2. The consolidated financial statements for 2025 are scheduled to be reviewed in detail at the 180th meeting of the Audit Committee, to be held in March 2026. The Chairperson of the Audit Committee will make a formal report to the Executive Board at its 147th session on the Committee's conclusions with respect to these statements.
3. In accordance with the International Financial Reporting Standards, the General Reserve represents an appropriation of retained earnings. Between 1980 and 1994, the Executive Board approved several transfers, bringing it to the current level of US\$95 million.
4. According to Financial Regulation XIII "Annual transfers from the accumulated surplus to the General Reserve shall be determined by the Executive Board after taking into account the Fund's financial position in the context of the review/approval of yearly audited financial statements of the Fund".
5. Issues to be considered in assessing annual transfers to the General Reserve include: the overall balance of the accumulated surplus/deficit; and the underlying drivers of the yearly net income/loss, particularly unrealized gain/loss balances.
6. Considering that at the end of 2025 the Fund reported a net comprehensive income on a consolidated basis of US\$50.4 million and a net comprehensive income for IFAD only of US\$31.0 million, net retained earnings remain negative at approximately US\$2.74 billion on consolidated basis and negative at approximately US\$2.88 billion for IFAD-only balance sheet. It is therefore not recommended that any transfer to the General Reserve be made.
7. Table 1 provides a summary of the main financial results and ratios related to the IFAD-only financial statements

Table 1

Main financial results and ratios

(Millions of United States dollars)

<i>IFAD-only</i>	<i>31/12/2025</i>	<i>31/12/2024</i>	
Total assets	12 321	11 195	
Replenishment contributions (equity)	11 596	11 225	
Loans outstanding	9 127	8 451	
Ratio			
Debt/capital available*	38.5%	31.4%*	Borrowing liabilities/Initial capital available
Liquidity/assets	17.3%	16.2%	Cash and investments/Total assets

* The Executive Board approved the revised Capital Adequacy Policy at its 146th session. The revised policy defines initial capital as net equity plus loan impairment allowance minus a portion of the undisbursed balance for grants to countries in debt distress. The revised ratio stands at 37.5 per cent.

Notes on reading these financial statements:

- The notes to the consolidated financial statements, contained in appendix D, form an integral part of the statements.
- The consolidated financial statements have been prepared using the symbols of the International Organization for Standardization.
- The separate document titled high-level review of IFAD's financial statements, provides additional information to assist readers in interpreting the financial statements.
- The figures presented in the financial statements have been rounded. As a result, there may be discrepancies between the actual totals of individual amounts in the tables and the totals shown, as well as between the numbers in the tables and those included in the text.

Consolidated statement of comprehensive income

For the years ended 31 December 2025 and 2024
(Thousands of United States dollars)

	Note	2025	2024
Revenue			
Income from loans	18	136 383	137 008
Income/(losses) from cash and investments	19	103 350	93 611
Income from other sources	20	14 031	18 624
Income from contributions	21	209 580	242 474
Net (loss)/gain from share investments		(1 066)	(308)
Total revenue		462 278	491 409
Operating expenses			
Staff salaries and benefits	23	(146 881)	(131 294)
Office and general expenses		(39 470)	(36 253)
Consultants and other non-staff costs		(66 530)	(66 041)
Direct bank and investment costs	24	(7 275)	(4 954)
Subtotal operating expenses	22	(260 156)	(238 542)
Other expenses			
Interest expenditures on financial liabilities and leases	28	(103 781)	(103 795)
Allowance for loan impairment losses	10	(54 893)	20 691
HIPC Initiative expenses	27	2 042	8 120
Grant expenses	25	(184 302)	(215 914)
Grant expenses to countries in debt distress	25	(151 366)	(172 516)
Depreciation	9	(10 400)	(12 802)
Subtotal other expenses		(502 700)	(476 216)
Total expenses		(762 856)	(714 758)
(Deficit)/Surplus before foreign exchange adjustments and change in hedge accounting			
		(300 578)	(223 349)
Net (Loss)/Profit from hedging	29	(8 437)	(19 160)
Gains/(Losses) from currency exchange movements of IFAD-only	26	341 172	(209 894)
Net (loss)/profit		32 157	(452 403)
Other comprehensive income/(loss):			
Gains/(Losses) from currency exchange movements and retranslation of consolidated entities	26	22 468	(15 572)
Change in provision for After-Service Medical Coverage Scheme (ASMCS) benefits	23	(4 216)	7 629
Total other comprehensive (loss)/income		18 252	(7 943)
Total comprehensive (loss)/income		50 409	(460 346)

IFAD-only statement of comprehensive income

For the years ended 31 December 2025 and 2024

(Thousands of United States dollars)

	<i>Note</i>	<i>2025</i>	<i>2024</i>
Revenue			
Income from loans	18	132 182	131 729
Income /(losses) from cash and investments	19	97 628	89 061
Income from other sources	20	23 821	18 624
Income from contributions		23	170
Total revenue		253 654	239 584
Operating expenses			
Staff salaries and benefits	23	(136 183)	(120 403)
Office and general expenses		(35 947)	(32 157)
Consultants and other non-staff costs		(49 682)	(49 727)
Direct bank and investment costs	24	(6 540)	(4 389)
Subtotal operating expenses	22	(228 352)	(206 676)
Other expenses			
Interest expenditures on financial liabilities and leases	28	(98 617)	(96 179)
Allowance for loan impairment losses	10	(51 070)	19 784
HIPC Initiative expenses	27	2 042	8 120
Grant expenses	25	(13 430)	(13 900)
Grant expenses to countries in debt distress	25	(151 366)	(172 516)
Depreciation	9	(10 400)	(12 802)
Subtotal other expenses		(322 841)	(267 493)
Total expenses		(551 193)	(474 169)
(Deficit)/Surplus before foreign exchange adjustments and change in hedge accounting		(297 540)	(234 585)
Net (Loss)/Profit from hedging	29	(8 437)	(19 160)
Gains/Losses from currency exchange movements of IFAD-only	26	341 172	(209 894)
Net (loss)/profit		35 196	(463 639)
Other comprehensive income/(loss):			
Change in provision for ASMCS benefits	23	(4 216)	7 629
Total other comprehensive (loss)/income		(4 216)	7 629
Total comprehensive (loss)/income		30 980	(456 010)

Consolidated statement of changes in equity

For the years ended 31 December 2025 and 2024
(Thousands of United States dollars)

	<i>Contributions</i>	<i>Accumulated deficit</i>	<i>General Reserve</i>	<i>Total equity</i>
Balances as at 1 January 2024	10 373 096	(2 434 048)	95 000	8 034 048
2024				
Instruments of contribution	875 423			875 423
Foreign exchange and other movements	(24 004)			(24 004)
Net profit and loss		(452 403)		(452 403)
Total other comprehensive profit or (loss)		(7 943)		(7 943)
Balances as at 31 December 2024	11 224 515	(2 894 394)	95 000	8 425 121
2025				
Balances as at 1 January 2025	11 224 515	(2 894 394)	95 000	8 425 121
Instruments of contribution	316 294			316 294
Foreign exchange and other movements	54 943			54 943
Net profit and loss		32 157		32 157
Total other comprehensive profit or (loss)		18 252		18 252
Balances as at 31 December 2025	11 595 752	(2 843 985)	95 000	8 846 767

IFAD-only statement of changes in equity

For the years ended 31 December 2025 and 2024
(Thousands of United States dollars)

	<i>Contributions</i>	<i>Accumulated deficit</i>	<i>General Reserve</i>	<i>Total equity</i>
Balances as at 1 January 2024	10 373 096	(2 545 218)	95 000	7 922 878
2024				
Instruments of contribution	875 423			875 423
Foreign exchange and other movements	(24 004)			(24 004)
Net profit and loss		(463 639)		(463 639)
Total other comprehensive profit or (loss)		7 629		7 629
Balances as at 31 December 2024	11 224 515	(3 001 228)	95 000	8 318 287
2025				
Balances as at 1 January 2025	11 224 515	(3 001 228)	95 000	8 318 287
Instruments of contribution	316 294			316 294
Foreign exchange and other movements	54 943			54 943
Net profit and loss		35 196		35 196
Total other comprehensive profit or (loss)		(4 216)		(4 216)
Balances as at 31 December 2025	11 595 752	(2 970 249)	95 000	8 720 503

Consolidated and IFAD-only cash flow statement

For the years ended 31 December 2025 and 2024

(Thousands of United States dollars)

	<i>Consolidated</i>		<i>IFAD-only</i>	
	2025	2024	2025	2024
Cash flows from operating activities				
Interest received from loans	135 166	140 524	130 739	135 219
Receipts for non-replenishment contributions	212 978	213 991	9 272	18 458
Payments for operating expenses and other payments	(233 100)	(279 235)	(208 761)	(223 544)
Grant disbursements	(146 627)	(176 655)	(15 115)	(21 673)
Disbursements to countries in debt distress	(151 366)	(172 516)	(151 366)	(172 516)
Net cash flows used in operating activities	(182 949)	(273 891)	(235 231)	(264 056)
Cash flows from investing activities				
Loan disbursements	(746 757)	(749 283)	(746 757)	(736 570)
Loan principal repayments	457 825	448 616	442 762	434 548
Disbursements for Treasury investments	(515 786)	(5 572)	(467 530)	(31 903)
Net cash flows used in investing activities	(804 717)	(306 239)	(771 524)	(333 925)
Cash flows from financing activities				
Receipts for replenishment contributions	387 056	521 491	387 056	521 491
Receipts of borrowed funds	576 993	372 881	546 993	308 639
Payments for borrowing liabilities principal	(61 796)	(57 713)	(45 140)	(42 131)
Payments for borrowing liabilities interest	(83 003)	(95 428)	(79 038)	(87 816)
Net cash flows from financing activities	819 250	741 231	809 870	700 183
Effects of exchange rate movements on cash and cash equivalents	29 534	(21 449)	15 182	(10 398)
Net (decrease) in unrestricted cash and cash equivalents	(138 882)	139 652	(181 703)	91 804
Unrestricted cash and cash equivalents at beginning of year	890 912	751 260	561 010	469 206
Unrestricted cash and cash equivalents at end of year	752 030	890 912	379 307	561 010
Composed of:				
Unrestricted cash	752 030	890 912	379 307	561 010
Cash and cash equivalents at end of year	752 030	890 912	379 307	561 010

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1

BRIEF DESCRIPTION OF THE FUND AND THE NATURE OF OPERATIONS

The International Fund for Agricultural Development (hereinafter IFAD or the Fund) is a specialized agency of the United Nations and an international financial institution. IFAD formally came into existence on 30 November 1977, on which date the agreement for its establishment entered into force, and has its headquarters in Rome, Italy. The Fund and its operations are governed by the Agreement Establishing the International Fund for Agricultural Development.

As an international financial institution, IFAD enjoys a de facto preferred creditor status (PCS). As is the case for other international financial institutions, PCS is not a legal status but is embodied in practice and granted by the Fund's stakeholders (180 Member States). The concept of PCS receives consistent universal recognition from entities such as bank regulators, the Bank for International Settlements and rating agencies.

Membership in the Fund is open to any Member State of the United Nations or any of its specialized agencies, or the International Atomic Energy Agency. The Fund's resources come from Member contributions, special contributions from non-Member States and other sources, funds derived or to be derived from operations or otherwise accruing to the Fund, and borrowing from Members and other sources.

The objective of the Fund is to mobilize additional resources to be made available on concessional terms, primarily for financing projects specifically designed to improve food production systems, the nutrition of the poorest populations in developing countries and the conditions of their lives. IFAD mobilizes resources and knowledge through a dynamic coalition of the rural poor, governments, financial and development institutions, intergovernmental organizations, non-governmental organizations and the private sector, through cofinancing. Financing from non-replenishment sources in the form of supplementary funds and human resources forms is an integral part of IFAD's operational activities.

In 2025, the external context was characterized by a general volatility in the exchange rates market as a result of global challenges, instability and continuing conflicts.

IFAD continued implementing interventions focused on food security and the eradication of rural poverty.

In February 2024 the Governing Council adopted resolution 235/XLVII on the Thirteenth Replenishment of IFAD's Resources (IFAD13). IFAD13 pledges reached US\$1.6 billion as at 31 December 2025.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements of the Fund are prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board and on a going concern basis, based on the current financial situation and cash flow forecast. Information is provided separately in the financial statements for entities where this is deemed of interest to readers of the financial statements.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires Management to exercise judgment in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

New and amended IFRS mandatorily effective

During 2025, there were no new or amended IFRS standards or pronouncements with a material impact on IFAD.

IFRS not yet mandatorily effective

No IFRS accounting standards or interpretations are yet effective for the next year that would have a material impact on the Fund.

IFRS 18 Presentation and Disclosure in Financial Statements will become effective in 2027. Its aim is to improve how companies communicate information in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss. IFRS 18 will not have effects on measurement criteria used for IFAD's financial assets and liabilities; however, it will require different classifications of revenue and expenses, reclassifications in the cash flow statement, and additional disclosures.

(b) Area of consolidation

Financing in the form of supplementary funds and other non-core funding forms are an integral part of IFAD's operations. The Fund prepares consolidated accounts that include the transactions and balances for the following entities:

- Special Programme for sub-Saharan African Countries Affected by Drought and Desertification (SPA);
- IFAD Fund for Gaza and the West Bank (FGWB);
- Other supplementary funds including technical assistance grants, cofinancing, associate professional officers (APOs), programmatic and thematic supplementary funds, the Belgian Fund for Food Security Joint Programme (BFFS.JP) and the Global Environment Facility (GEF); and the RPSF launched in 2020 in response to the COVID-19 pandemic.
- IFAD's Trust Fund for the HIPC Initiative;

- IFAD's ASMCS Trust Fund;
- Administrative account for Haiti Debt Relief Initiative;
- Spanish Trust Fund;
- Rural Resilience Programme (former ASAP Trust Fund);
- Private Sector Trust Fund (PSTF); and
- African Agricultural Transformation Initiative (AATI), approved by the Executive Board in August 2021.

These entities have a direct link with IFAD's core activities and are controlled by IFAD in accordance with IFRS 10. In line with the underlying agreements and recommendations establishing these entities, IFAD has the power to govern the related financial and operating policies. IFAD is exposed or has rights, at a minimum, to the residual results of its involvement with these entities and has the ability to affect those results through its power over the components. Accordingly, these entities are consolidated in IFAD's financial statements. All transactions and balances among these entities have been eliminated. Additional financial data for the funds are provided upon request to meet specific donor requirements. All entities included in the consolidation area have a fiscal period corresponding to the solar year.

Entities housed and other facilities

These entities do not form part of the core activities of the Fund and IFAD does not have power to govern the related financial and operating policies. As such, they are not consolidated as they are not substantially controlled. As at 31 December 2025 the only entity hosted by IFAD is the International Land Coalition (formerly known as the Popular Coalition to Eradicate Hunger and Poverty).

The Fund is an accredited entity of the Green Climate Fund (GCF), and in 2020 signed the first contribution agreement with the GCF. As an accredited entity of the GCF, IFAD does not have the power to govern the related financial and operating policies and is not exposed to nor has rights to the results of its involvement in GCF-financed activities.

(c) Investments in private sector initiatives

Since 2018, IFAD has partnered with the European Union, the Government of Luxembourg, and the Alliance for the Green Revolution in Africa on the Agribusiness Capital Fund (ABC Fund), a private sector fund that aims to boost investments in small rural agribusinesses across emerging markets. IFAD acted as sponsor in the establishment of the ABC Fund, which is a separate legal entity. IFAD has subscribed share investments through supplementary funds – both on behalf of third parties and directly on its own account (with support from the Swiss Agency for Development and Cooperation). In accordance with IFRS 10, IFAD does not exercise control over decision-making in respect of investments made by the ABC Fund.

(d) Translation and conversion of currencies

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in

United States dollars, which is IFAD's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the net profit or loss of the period in which they arise except for promissory contributions, which are recognized in equity.

The results and financial position of the entities/funds consolidated that have a functional currency different from the presentation currency are translated into the presentation currency and are reported under other comprehensive income/loss as follows:

- Assets and liabilities are translated at the closing rate and revenue and expenditures are translated at the monthly average rate; and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

(e) Measurement of financial assets and liabilities

Financial assets at amortized cost

A financial asset is classified at "amortized cost" only if both of the following criteria are met: (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since both of these conditions are considered to be met, loan receivables are classified at amortized costs.

Financial assets at fair value

If the criteria is not met, the asset cannot be classified in the amortized cost category and must be classified at fair value through profit and loss (FVTPL). The fair value through other comprehensive income category is not used by the Fund. All other financial assets not classified at amortized cost are classified as FVTPL.

Financial liabilities

Financial liabilities measured at amortized cost comprise financial instruments (other than liabilities held for trading or those designated at fair value) representing the various forms of third-party funding.

These financial liabilities are recognized at settlement date initially at fair value, which is normally the consideration received less transaction costs directly attributable to the financial liability. Subsequently these instruments are measured at amortized cost using the effective interest method.

When IFRS 9 conditions for hedge accounting are met, financial liabilities are recognized at trade date at amortized cost, adjusted for the fair value movements attributable to the risks being hedged.

Interest is accrued and recognized in the statement of comprehensive income under loan interest expenditures.

Derivative instruments and hedge accounting

Derivative instruments are used to manage interest rate and currency risks and are recognized in the financial statements at trade date at their fair value

as "other assets or other liabilities". IFAD applies IFRS 9 hedge accounting treatment to individual identified hedge relationships when conditions set out by the standard are met.

(f) Equity

This comprises the following three elements:
(i) contributions (equity); (ii) General Reserve; and
(iii) retained earnings.

(i) Contributions (equity)

Background to contributions

The contributions to the Fund by each Member when due are payable in freely convertible currencies, except in the case of Category III Members up to the end of the Third Replenishment period, which were permitted to pay contributions in their own currency whether or not it was freely convertible. Each contribution is to be made in cash or, to the extent that any part of the contribution is not needed immediately by the Fund in its operations, may be paid in the form of non-negotiable, irrevocable, non-interest-bearing promissory notes or obligations payable on demand.

A contribution to IFAD replenishment resources is recorded in full as equity and as receivable when a Member deposits an instrument of contribution, except for qualified instruments of contribution, which are subject to national appropriation measures and which will be proportionally reduced upon fulfilment of those conditions. Amounts receivable from Member States as contributions and other receivables including promissory notes are represented as the balance subscribed but not yet encashed.

Concessional partner loans (CPLs) were introduced with the adoption of the IFAD11 resolution. Borrowing terms of CPLs are concessional: the maturities are either 25 or 40 years with a grace period of 5 years for a 25-year loan and 10 years for a 40-year loan. Voting rights are allocated to Member States that provide CPLs in an amount proportionate to the grant element embedded in such loans. Proceeds received as CPLs consists of two components: a borrowing component and an equity component. The equity component is the derived grant element, computed on the basis of the loan terms and the discount rate agreed over the replenishment consultations. The grant element is recorded as equity.

Allowance for contribution impairment losses

The Fund has established a policy on provisions against overdue Member States' contributions while still maintaining PCS as follows:

If there is evidence that an identified asset is impaired, a specific provision for impairment is recognized as a reduction to equity. Impairment is quantified as the difference between the carrying amount and the collectable amount. The criteria used to determine whether there is objective evidence of an impairment loss include:

- Delinquency in contractual payments of principal and interest;
- Cash flow difficulties experienced by the debtor;
- Breach in contracts or conditions;
- Initiation of bankruptcy proceeding.

In the absence of such evidence, provisions will be set up as follows:

- Whenever a payment of an instalment against an instrument of contribution or a payment of a drawdown against a promissory note becomes overdue by 24 months, a provision will be made equal to the value of all overdue contribution payments or the value of all unpaid drawdowns on the promissory note(s) outstanding.
- Whenever a payment of an instalment against an instrument of contribution or a payment of a drawdown against a promissory note becomes overdue by 48 months or more, a provision will be made against the total value of the unpaid contributions of the Member or the total value of the promissory note(s) of that Member related to the particular funding period (i.e. a replenishment period).
- The end of the financial year is currently used for determining the 24- and 48-month periods.

(ii) General Reserve

The General Reserve may only be used for the purposes authorized by the Governing Council and was established in recognition of the need to cover the Fund's potential over-commitment risk as a result of exchange rate fluctuations, possible delinquencies in loan service payments or in the recovery of amounts due to the Fund from the investment of its liquid assets. It is also intended to cover the risk of over-commitment as a result of a decrease in the value of assets caused by fluctuations in the market value of investments.

As per Financial Regulation XIII, "annual transfers from the accumulated surplus to the General Reserve shall be determined by the Executive Board after taking into account the Fund's financial position in the context of the review/approval of yearly audited financial statements of the Fund".

(iii) Retained earnings

Retained earnings represent the cumulative deficit of revenue as compared to expenses inclusive of the effects of changes in foreign exchange rates and hedging.

(g) Loans

(i) Loans to Member States

Loans are made to developing states that are Members of the Fund or to intergovernmental organizations in which such Members participate. In the latter case, the Fund may require governmental or other guarantees. A loan enters into force on the date that both the Fund and the borrower have signed it, unless the financing agreement states that it is subject to ratification. In this case, the financing agreement shall enter into force on the date the Fund receives an instrument of ratification. All IFAD loans are approved and loan repayments and interest are payable in the currency specified in the loan agreement. Loans approved are disbursed to borrowers in accordance with the provisions of the loan agreement.

Lending terms of the Fund are published on IFAD site <https://www.ifad.org/en/financial-products-and-terms>.

(ii) Loans to non-Member States

At its twenty-first session in February 1998, the Governing Council adopted resolution 107/XXI approving the establishment of a fund for the specific purpose of lending to FGWB. The application of article 7, section 1(b), of the Agreement Establishing IFAD was waived for this purpose. Financial assistance, including loans, is transferred to the

FGWB by decision of the Executive Board and the repayment thereof, if applicable, is made directly to IFAD's regular resources.

At its 129th session, the Executive Board approved document EB 2020/129/R.11/Rev.1, setting forth the framework for IFAD non-sovereign private sector operations.

(iii) Measurement of loans

Loan transactions are recognized in the balance sheet at the time the funds are disbursed to the borrower. Loans are recognized initially at fair value, which corresponds to the transaction price (amount disbursed including transaction costs - nominal balance). Loans outstanding are subsequently carried at amortized cost using the effective interest method.

(iv) Heavily Indebted Poor Countries (HIPC) Initiative

IFAD participates in the International Monetary Fund/World Bank original and enhanced HIPC Initiative as an element of IFAD's broader policy framework for managing operational partnerships with countries that face the risk of having arrears with IFAD in the future because of their debt-service burden. Accordingly, IFAD provides debt relief by forgiving a portion of an eligible country's debt-service obligations as they become due.

In 1998, IFAD established a Trust Fund for the HIPC Initiative. This fund receives resources from IFAD and from other sources, specifically dedicated as compensation to the loan-fund account(s) for agreed reductions in loan repayments under the Initiative. Amounts of debt service forgiven are expected to be reimbursed by the Trust Fund on a pay-as-you-go basis (i.e. relief is when debt-service obligations become due) to the extent that resources are available in the fund.

The Executive Board approves each country's debt relief in net present value terms. The estimated nominal equivalent of the principal components of the debt relief is recorded under the accumulated allowance for the HIPC Initiative, and as a charge to the HIPC Initiative expenses in the statement of comprehensive income. The assumptions underlying these estimates are subject to periodic revision. Significant judgment has been used in the computation of the estimated value of allowances for the HIPC Initiative.

The charge is offset and the accumulated allowance reduced by income received from external donors to the extent that such resources are available. The accumulated allowance for the HIPC Initiative is reduced when debt relief is provided.

In November 2006, IFAD was granted access to the core resources of the World Bank HIPC Trust Fund, in order to assist in financing the outstanding debt relief once countries reach completion point. Compensation from the World Bank HIPC Trust Fund is received based on net present value calculation of future debt relief flows as determined by the World Bank based on IFAD data.

(v) Accumulated allowance for impairment losses

According to IFRS 9 IFAD has established the forward-looking expected credit loss (ECL) methodology to calculate an allowance for loan impairment. The methodology embeds preferred creditor status (PCS) features. It is applied to financial assets recorded at amortized cost such as loan receivables. The Fund is required to recognize

an allowance for either 12 months or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

ECL reflects a probability-weighted outcome, time value of money and the best available forward-looking information through the inclusion of macroeconomic factors.

ECL comprises a three-stage model based on changes in credit quality since initial recognition/origination of the financial instrument. Origination is the date on which disbursement conditions have been met. Impairments are reported based on either 12-month or lifetime ECLs, depending on the stage allocation of the financial instrument. The stage allocation also determines if interest income for the financial instrument is reported on the gross carrying amount, as for stage 1 and 2, or the net of impairment allowance, as for stage 3.

The staging model relies on a relative assessment of credit risk (i.e. a loan with the same characteristics could be included in stage 1 or stage 2, depending on its credit risk at origination). As a result, the same counterpart could have loans classified in different stages.

Stage 1 includes "performing" financial instruments that have not had a significant deterioration in credit quality since initial recognition or have a low credit risk at reporting date. For these instruments, the ECL is a probability-weighted result of default events that are possible within the next 12 months after the reporting date. Low-risk assets (investment grade) are classified as stage 1.

Stage 2 includes "under-performing" financial instruments that have had a significant increase in credit risk since initial recognition. For these assets, the lifetime ECL results from all possible default events over the expected lifetime, weighted with the probability of default. Interest income is computed on the gross carrying amount.

Stage 3 includes "non-performing" financial instruments when there is objective evidence of impairment/default at the reporting date (probability of default at 100 per cent). For these instruments, lifetime ECLs are recognized. According to IFRS 9, interest is computed on the net carrying amount. Considering that the Fund fully provides for the interest accrued, the calculation is determined on the gross basis.

Movements between stages depend on the evolution of the financial instrument's credit risk from initial recognition to reporting date. Movements, whether improvements or deterioration, may therefore cause volatility in the impairment allowance balances.

In accordance with IFRS 9, section 5.5 "Impairment", IFAD has adopted some rebuttable presumptions associated with days past due. In line with the debt servicing procedures, financial instruments overdue by more than 75 days are classified at stage 2 while financial instruments overdue by more than 180 days are classified at stage 3.

The carrying amount of the financial instrument is reduced through an allowance account and the loss amount is recognized in the income statement.

Interest and service charges for financial instruments classified at stages 1 and 2 are recognized following the accrual basis, while for financial instruments classified at stage 3, interest and service charges

are recognized as income only when actually received.

(h) Investments

(i) Classification and Measurement

The Fund's investments could be classified at FVTPL or at amortized cost. Investments are classified at amortized cost when they belong to a portfolio managed by the Fund based on a business model to hold those securities until their maturity, by collecting solely maturing interest and principal in line with the contractual characteristics. If the above conditions are not met, the Fund carries investments at FVTPL. Fair value is determined in accordance with the hierarchy set in note 3. For investments at FVTPL, both realized and unrealized gains and losses are included in income from investments as they arise. Both realized and unrealized exchange gains and losses are included in the account for movements in foreign exchange rates as they arise. All purchases and sales of investments are recognized on the trade date. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The majority of derivatives are used for risk management purposes and they do not qualify for hedge accounting and therefore changes in the fair value of these derivative instruments are recognized immediately in the statement of comprehensive income. IFAD's portfolio is currently classified in full as FVTPL.

(ii) Accumulated allowance for securities held at amortized cost

Portfolios with securities held at amortized cost are subject to an impairment allowance calculated using an ECL methodology. A three-stage model for impairment is applied based on changes in the credit quality of the financial instrument since origination. The origination of the financial instrument is the date on which the instrument was purchased by the Fund. Considering the Investment Policy requirements adopted by the Fund, the investment portfolio held at amortized cost is classified at stage 1 since the financial instruments are investment grade, and therefore the low credit risk instruments exemption applies.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits held at call with banks. They also include investments that are readily convertible at the balance sheet date. Net investment payables and investments at amortized cost are excluded from readily convertible investments for cash flow purposes. Restricted cash is excluded from cash and cash equivalents.

(j) Share investments

The Fund, through supplementary fund contributions, held equity investments in the private sector. Such investments are accounted for at FVTPL. Share investments have been recognized at day one at settlement date for the subscribed value. Realized gains and losses are recognized in the statement of comprehensive income in the proper period based on settlement date and value. Fair value changes may generate unrealized gains and losses which are accounted for in the statement of comprehensive income. The fair value of the share investment derives from the net asset value, incorporating a liquidity adjustment on a case-by-case basis. As these investments do not meet IFRS 10, IFRS 11 and IAS 28 requirements, they are not

considered controlled, joint ventures or associated entities, and thus are not wholly or proportionally consolidated, nor accounted for under the equity method. In line with IFRS 9 requirements, as share investments do not meet the requirements to be accounted for at amortized cost, they are accounted for at fair value.

(k) Contributions (non-equity)

Contributions to non-replenishment resources are recorded as revenues in the period in which the related expenses occur. For project cofinancing activities, contributions received are recorded as revenues in the period in which the related grant becomes disburseable. Contributions relating to programmatic grants, APOs, BFFS.JP and other supplementary funds are recorded in the balance sheet as deferred revenues and are recorded as revenue for the amount of project-related expenses in the statement of comprehensive income. Where specified in the donor agreements, contributions received (including management fees) and interest earned thereon, for which no direct expenses have yet been incurred, are deferred until future periods to be matched against the related costs. This is consistent with the accounting principle adopted with regard to IFAD's combined supplementary funds and serves to present the underlying nature of these balances more clearly. A list of such contributions can be found in appendix E.

Individual donors provided human resources (in the form of APOs) to assist IFAD in its activities. The contributions received from donors are recorded as revenues and the related costs are included in staff costs.

(l) Grants

(i) Grants

The Agreement Establishing IFAD empowers the Fund to provide grants to its Member States, or to intergovernmental organizations in which its Members participate, on such terms as the Fund deems appropriate.

Grants are recorded as expenses on their disburseable date for the approved amount and as a liability for undisbursed amounts. In accordance with the General Conditions for Agricultural Development Financing (updated from time to time), grants become disburseable when a recipient has the right to incur eligible expenditure.

Cancellations of undisbursed balances are recognized as an offset to the expense in the period in which they occur.

(ii) Grants to countries in debt distress

Under the former Debt Sustainability Framework (DSF), countries eligible for highly concessional lending receive financial assistance on a grant rather than a loan basis. This financing is subject to IFAD's General Conditions for Agricultural Development Financing. It is implemented over an extended time-horizon and recognized as expenditure in the statement of comprehensive income in the period in which conditions for the release of funds to the recipient are met.

(m) Borrowing

Financial liabilities are accounted for at amortized cost. IFAD has signed several borrowing agreements with sovereign institutions at variable rate debt. Maturities vary from 20 years to 40 years. IFAD may not prepay loans outstanding without incurring penalties. Interest rates are variable (linked to EURIBOR plus a spread).

Borrowing activities are subject to the Revised Integrated Borrowing Framework as approved by the Executive Board in 2025 (EB 2025/146/R.24). Borrowed funds are deployed in accordance with IFAD's policies and procedures (with the exception of countries in debt distress).

The Fund's borrowings include loans from Member States in the form of CPLs. These borrowings are carried and reported at amortized cost.

IFAD issues bonds through private placements. Considering that such transactions, together with the related derivative instruments, met IFRS 9 conditions for hedge accounting, such financial liabilities are recognized at trade date at amortized cost, adjusted for the fair value movements attributable to the risks being hedged.

(n) Hedge Accounting - Fair Value Hedge

IFAD applies IFRS 9 hedge accounting treatment to each individual identified hedge relationship, when conditions set out by the standard are met. IFAD documents the relationship between the hedging instrument (derivative) and hedged items (bond) upon initial recognition of the transaction and on an ongoing basis. In particular, IFAD assesses the specific relationships between two or more financial instruments in which the change in value of one instrument (the hedging instrument) is highly negatively correlated to the change in value of the other (the hedged item).

IFAD mitigates interest rate risk by using interest rate swaps to convert the interest rate profile of the liabilities from fixed to floating rate in line with the rate applied to loan assets at ordinary terms.

IFAD mitigates currency risks by using cross currency swaps to convert the currency risk profile of the liabilities from the currency of issuance to the denomination currency associated to loan assets at ordinary terms. Based on the assessment of individual transactions, IFAD does not segregate foreign currency basis from financial instruments.

Such derivatives are recognized on trade date as "Other Financial Assets" or "Other Financial Liabilities".

Changes in fair value of the derivatives are included in the statement of comprehensive income along with corresponding changes in the hedge fair value of the liability that is attributable to the specific hedge risk.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting under IFRS 9, then hedge accounting is discontinued prospectively. Any adjustment up to the point of discontinuation to a hedged item for which the effective interest method is used is amortized to profit or loss as part of the recalculated effective interest rate of the item over its remaining life. If the hedged item is derecognized, the related unamortized fair value is recognized immediately in the statement of comprehensive income.

(o) Employee schemes

Pension obligations

IFAD participates in the United Nations Joint Staff Pension Fund (UNJSPF), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension Fund is a funded, defined benefit plan. The

financial obligation of the Fund to the UNJSPF consists of its mandated contribution, at the rate established by the United Nations General Assembly, together with any share of any actuarial deficiency payments under article 26 of the regulations of the Pension Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Pension Fund as of the valuation date. At the time of this report, the United Nations General Assembly has not invoked this provision.

The actuarial method adopted for the UNJSPF is the Open Group Aggregate method. The cost of providing pensions is charged to the statement of comprehensive income so as to spread the regular cost over the service lives of employees, in accordance with the advice of the actuaries, who carry out a full valuation of the period plan every two years. The plan exposes participating organizations to actuarial risks associated with the current and former employees of other organizations, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the plan. IFAD, like other participating organizations, is not in a position to identify its share of the underlying financial position and performance of the plan with sufficient reliability for accounting purposes.

After-Service Medical Coverage Scheme

IFAD participates in the ASMCS, which provides medical benefits for staff receiving a United Nations pension and eligible former staff on a shared-cost basis. The ASMCS operates on a pay-as-you-go basis, meeting annual costs out of annual budgets and staff contributions. An independent valuation is performed on an annual basis, in accordance with IAS 19R.

IFAD has set up a trust fund into which it transfers the funding necessary to cover the actuarial liability. Service costs are recognized as operating expenditure. The net balance between interest costs and expected return on plan assets is recognized in the statement of comprehensive income, while actuarial gains or losses are recognized in other comprehensive income.

(p) Accruals for long-service entitlements

Employee entitlements to annual leave and long-service entitlements are recognized when they accrue to employees. An accrual is made for the estimated liability for annual leave and long-service separation entitlements as a result of services rendered by employees up to the balance sheet date.

(q) Taxation

As a specialized agency of the United Nations, IFAD enjoys direct tax-exemption status under the Convention on Privileges and Immunities of Specialized United Nations Agencies of 1947 and the Agreement Establishing IFAD; and direct and indirect tax-exemption status under the Agreement between the Italian Republic and IFAD regarding the provisional headquarters of IFAD.

(r) Revenue recognition

Service charge income and income from other sources are recognized as revenue in the period in which the related expenses are incurred (goods delivered or services provided).

(s) Tangible and intangible assets**Fixed assets**

Major purchases of property, furniture and equipment are capitalized. Depreciation is charged on a straight-line basis over the estimated useful economic life of each item purchased as set out below:

Permanent equipment fixtures & fittings	10 years
Furniture	5 years
Office equipment	4 years
Vehicles	5 years

Intangible assets

Software development costs are capitalized as intangible assets where future economic benefits are expected to flow to the organization. Amortization is calculated on a straight-line basis over the estimated useful life of the software (four to 10 years).

Leasehold improvements are capitalized as assets. Amortization is calculated on a straight-line basis over their estimated useful life (not exceeding rental period of IFAD headquarters).

Right-of-use assets

The Fund recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at, or before, the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. In order to determine the lease term, the Fund considers the non-cancellable period established in the contract, in which the lessee is entitled to use the underlying asset taking also into account potential renewal options if the lessee is reasonably certain to renew. In particular, with reference to those contracts that allow the lessee to tacitly renew the lease contract after a first set of years, the lease term is determined taking into account factors such as the length of the first period, the existence of dismissal plans for the asset leased and any other circumstance indicating a reasonable certainty of the renewal. It should be noted that, as allowed by the standard, IFAD has decided not to recognize any right-of-use asset or lease liability with reference to the following lease contracts:

- Short-term leases, lower than 12 months; and
- Low-value assets leases. For this purpose an asset is considered as "low value" when its fair value as new is equal to or lower than US\$5,000.

Lease liabilities

At the commencement date of the lease, lease liabilities are measured at the present value of the remaining lease payments, discounted at IFAD's average cost of funding for IFAD financial liabilities.

NOTE 3**CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS****(a) Critical accounting estimates and assumptions**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. It is reasonably possible that outcomes within the next financial year are different from the assumptions made based on existing knowledge. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

Financial assets and liabilities measured at fair value on the balance sheet are categorized as follows

Level 1. Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2. Financial assets and liabilities whose values are based on quoted prices for similar assets or liabilities, or pricing models for which inputs are substantially and significantly observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3. Financial assets and liabilities whose values are based on prices or valuation techniques requiring inputs that are both unobservable and significant to the overall fair value measurement.

Valuation of ASMCS

As described in note 2(o), IFAD participates in the ASMCS for staff receiving a United Nations pension and eligible former staff on a shared-cost basis. An independent valuation of the liability is performed on an annual basis. The methodology and principal assumptions used are described in note 23(c). A sensitivity analysis of the principal assumptions is included within note 23(d).

(b) Critical judgment in applying accounting policies**Hedge accounting**

For instruments designated for hedge accounting for the hedging instrument-derivatives and hedged items-borrowing liabilities, IFAD calculates the fair value using a discounted cash flow model based on underlying prevailing market interest rates.

Allowance for impairment losses: Impairment Methodology**Governance**

IFAD calculates and reports its impairments based on an individual ECL method. The ECL framework is based on the requirements of IFRS 9's financial instruments section and validated by IFAD's Financial Controller's Division and Office of Enterprise Risk Management. The impairment allowances and ECL methodology have been approved by the Associate Vice-President Chief Financial Officer and Chief Controller, Financial Operations Department.

Three-stage model

IFAD recognizes a loss allowance for ECL on financial instruments measured at amortized cost and for loan commitments. The ECL comprises a three-stage model based on changes in the credit quality since initial recognition as described in note 2g(v) above. Impairments are reported based on either 12-month or lifetime ECL, depending on the stage allocation of the financial instrument. The stage allocation also determines if interest income for the financial instrument is reported on the gross carrying amount or the net of impairment allowance.

In order to determine whether there has been a significant increase in the credit risk since origination – and therefore transition to or from stage 2 – a combination of quantitative and qualitative risk metrics are employed.

The Fund has established an internal rating methodology by leveraging public ratings available in the market and by calculating proxies derived from macroeconomic conditions (e.g. income level and level of debt distress) and geographical area.

A loan's migration across the Fund's internal credit rating scale is monitored from the instrument's origination date to the reporting date. Following a significant deterioration in its counterparty's creditworthiness, the loan is classified at stage 2.

Depending on qualitative assessments, loans may be placed on a watch list and transitioned between stages.

Inputs

The ECL calculation is performed at the level of individual financial instruments. Expected losses are determined according to an individual process based on certain risk parameters represented by probability of default, loss given default rate, exposure value and discount factor. The model is forward-looking: current and future macroeconomic conditions are incorporated into the model through macro-financial scenarios. A number of critical accounting estimates and judgments are also factored into the model.

Probability of default (PD)

The Fund uses forward-looking point-in-time (PIT) PD rates to calculate ECL. The PIT PD rates are derived from through-the-cycle (TTC) PD rates adjusted for projected macroeconomic conditions.

TTC PD rates express the likelihood of a default based on long-term credit risk trend rates. TTC PD rates are based on PDs associated to external ratings and are calibrated to reflect IFAD's default experience and PCS. On a yearly basis, TTC PD is reviewed based on IFAD's loss experience.

The cumulative TTC PD rates used are set out by internal rating grade according to the methodology detailed below:

Each instrument in the Fund's portfolio has an internal PD associated with it. To calculate ECLs for both stage 1 and stage 2 instruments, a default probability has been retrieved from the PD embedded in the official observable ratings calibrated to the Fund's experience based on IFAD-specific historical default data.

For unrated exposures, a methodology has been developed starting from the rated portfolio and calculating proxies based on indicators such as income level, region and level of debt distress. For financial instruments at stage 3, the PD has been set at 100 per cent.

Loss given default (LGD) is the magnitude of the likely loss if a default would occur. An LGD is assigned to individual instruments, indicating how much the Fund expects to lose on each facility if the borrower defaults. For financial instruments at stages 1 and 2 the LGD has been determined in relation to the sovereign sector and calibrated in order to benefit from the Fund's recovery experience and PCS. For financial instruments at stage 3, the LGD has been informed by IFAD's historical data as well as the experience of other multilateral development institutions, currently set at 30 per cent.

Exposure at default (EAD) represents the expected exposure in the event of a default. It is measured from discounted contractual cash flows. The **discount factor** is the contractual effective interest rate of the financial instrument since IFAD's lending terms currently do not foresee any additional charge (i.e. commitment fee). Since EAD is modelled at an individual instrument level, all future expected cash flows, including disbursements, cancellations, prepayments and interest, are considered. EAD combines actual and contractual cash flows for loans outstanding, and models future disbursements and repayments based on the Fund's own experience for undrawn commitments.

Macroeconomic scenarios. IFRS 9 impairment methodology is forward-looking. The starting point is IFAD's view of current and future macroeconomic conditions, and the credit environment. IFAD considers a range of outcomes in a probability-weighted manner. The purpose is to capture possible non-linear behaviour in the dependence of the ECL on economic conditions. Forward-looking macroeconomic simulations consist of neutral, positive and pessimistic scenarios. Each scenario is assigned a probability of occurrence based on expert judgment and best practices. The probabilities assigned to the pessimistic and optimistic scenarios indicate either a balance or skew in either direction in order to capture the perceived distribution of risks in a forward-looking manner.

Based on expert judgment, Management may adopt temporary adjustments (overlays) to the model-based ECL impairment allowance in order to reflect additional factors that are not explicitly incorporated into the modelling of ECL or the credit risk ratings and therefore the staging allocation (e.g. significant scenarios or events representative of the Fund's particular experience).

Based on expert judgment, IFAD Management may assign a different stage to specific loans that require a manual override in respect of their ratings at origination, because of different credit risk ratings assigned to the counterparty on a quarterly basis.

NOTE 4**CASH AND INVESTMENT BALANCES****Analysis of balances (consolidated)**Table 1
As at 31 December

	US\$ thousands	
	2025	2024
Unrestricted cash	752 030	890 912
Cash subject to restriction	85	83
Subtotal cash	752 115	890 995
Unrestricted investments at fair value	2 163 341	1 588 006
Investments subject to restriction	138	139
Subtotal investments	2 163 479	1 588 145
Total cash and investments	2 915 594	2 479 140

The composition of the portfolio by entity was as follows:

Table 2
As at 31 December

Entity	US\$ thousands	
	2025	2024
IFAD	2 126 322	1 812 065
ASMCS Trust Fund	101 332	89 293
HIPC Trust Fund	738	2 427
Supplementary funds	380 153	306 219
Spanish Trust Fund	38 487	31 993
Haiti Debt Relief Initiative	7 200	9 590
Rural Resilience Programme	107 345	109 291
PSTF	149 833	112 265
AATI	4 184	5 997
Total cash and investments	2 915 594	2 479 140

(a) Cash and investments subject to restriction

In accordance with the Agreement Establishing IFAD, the amounts paid into the Fund by the then-Category III Member States in their respective currencies on account of their initial or additional contributions are subject to restriction in usage.

(b) Composition of the investment portfolio by instrument (consolidated)

As at 31 December 2025, cash and investments, including payables for investment purchased and receivables, amounted to US\$2,913 million (2024 – to US\$2,479 million) comprised of the following instruments:

Table 3

	US\$ thousands	
	2025	2024
Unrestricted Cash	752 030	890 912
Fixed-income instruments	2 014 735	1 516 961
Equities	14 917	
Unrealized (loss)/gain on Equities	763	0
Unrealized (loss)/gain on forward contracts		(1 381)
Unrestricted time deposits and other obligations of banks	135 071	58 468
Unrealized (loss)/gain on futures	162	38
Unrealized (loss)/gain on swaps	(2 307)	13 920
Total cash and investments	2 915 371	2 478 918
Receivables for investments sold and taxes receivable	13	13
Payables for investments purchased	(2 093)	(99)
Total investment portfolio	2 913 291	2 478 832

(c) Composition of the investment portfolio by currency (consolidated)

The currency composition of cash and investments as at 31 December was as follows:

Table 4

Currency	US\$ thousands	
	2025	2024
Chinese renminbi	175	12 324
Euro	622 814	676 422
Japanese yen*	26	6 615
Pound sterling*	4 827	8 609
United States dollar	2 282 883	1 773 621
Swiss Franc	653	20
Australian Dollar	1 307	1 207
Swedish Krona	509	9
Vietnamese Dong	1	5
Danish Krone	85	
Canadian Dollar	11	
Total cash and investment portfolio	2 913 291	2 478 832

* This balance includes open positions on foreign exchange forward contracts offset by open positions in United States dollars for the equivalent amount.

(d) Composition of the investment portfolio by maturity (consolidated)

The composition of cash and investments by maturity as at 31 December was as follows:

Table 5

	US\$ thousands	
	2025	2024
Due in one year or less	1 510 577	1 398 037
Due after one year through five years	1 343 286	1 031 925
Due from five to 10 years	37 061	46 552
Due after 10 years	22 367	2 318
Total cash and investment portfolio	2 913 291	2 478 832

The average life to maturity of unrestricted cash and fixed-income investments included in the

consolidated investment portfolio at 31 December 2025 was 20 months (2024 - 15 months).

(e) Financial risk management

IFAD's investment activities are exposed to a variety of financial risks: market risk, credit risk, custodial risk and liquidity risk.

IFAD's portfolio is managed in accordance with its Investment Policy Statement and Investment Guidelines, which address a variety of financial risks through restrictions on the eligibility of instruments and other limitations:

1. Benchmarks and limits on deviations from benchmarks;
2. Credit floors (refer to note 4[g], credit risk);
3. Conditional value at risk limitation, which measures the expected loss under extreme conditions, providing an indication of how much value a portfolio could lose over a forward-looking period;
4. Duration, which measures the sensitivity of the market price of a fixed-income investment to a change in interest rates.

The benchmark indices used for the respective portfolios are shown in table 8.

(f) Market risk

The actual weights and amounts of each asset class within the overall portfolio, together with the asset allocation weights as at 31 December 2025 and 2024, are shown in tables 6 and 7. Disclosures for the net asset value relate to IFAD-only accounts.

Table 6

2025	Actual allocation	
	%	US\$ millions
Cash	19.1	407.1
Swaps	(0.1)	(2.6)
Time deposit	0.0	0.0
Futures	0.0	0.0
Global government bonds/agencies	78.3	1 664.7
Corporate bonds	2.7	57.1
Total	100	2 126.3
Fixed-income receivables (payables)	0.0	0.0
Total	100	2 126.3

Table 7

2024	Actual allocation	
	%	US\$ millions
Cash	31.0	561.2
Swaps	0.7	13.2
Time deposit	0.0	0.9
Futures	0.0	0
Global government bonds/agencies	64.3	1 164.3
Corporate bonds	4.0	72.4
Total	100.0	1 812.0
Fixed-income receivables	0.0	(0.0)
Total	100.0	1 812.0

Table 8

Benchmark indices by portfolio

Portfolio	Benchmark index
Operational tranche (USD)	ICE BofA 0-1 Year United States Treasury Index
Operational tranche (EUR)	ICE BofA 0-1 Year AAA-AA Euro Government Index
Prudential tranche (USD)	ICE BofA 0-1 Year United States Treasury Index
Prudential tranche (EUR)	ICE BofA 0-1 Year AAA-AA Euro Government Index
World Bank Reserves Advisory and Management Program (RAMP)	ICE BofA 0-1 Year United States Treasury Index
ASMCS	IFAD Global Diversified Fixed-Income for ASMCS Customized Index (until 2 November 2025) IFAD Customized Index Bloomberg Multi-Asset EQ:F1 Custom US & Europe 50:50 (from 3 November 2025)

Exposure to market risk is managed by modifying the duration of the portfolio.

The upper limit for the duration is set at:

- Operational tranche: effective duration shall not exceed one year
- Prudential tranche: Effective duration shall not exceed two years.*

* The specified limit is determined in accordance with Treasury guidelines, which adopt a more conservative approach. In contrast, the Investment Framework permits a duration of up to 5 years.

The effective duration of the IFAD-only investment portfolio as at 31 December 2025 and 2024, and respective benchmarks are shown in table 9.

Table 9

Average duration of portfolios and benchmarks in years (IFAD-only)

As at 31 December

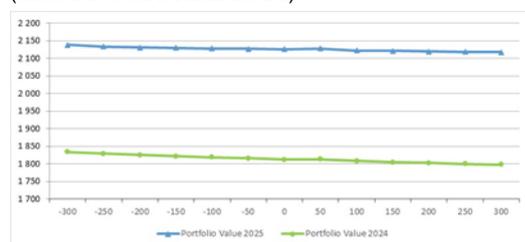
Portfolio	Portfolio		Benchmark	
	2025	2024	2025	2024
Operational tranche		-		-
Prudential tranche (USD)	0.4	0.5	0.4	0.4
Prudential tranche (EUR)	0.3	0.6	0.4	0.5
World Bank RAMP	n.a	n.a	n.a	n.a
Total average	0.2	0.4	0.4	0.4

The sensitivity analysis of IFAD's portfolio in table 10 shows how a parallel shift in the yield curve (-300 to +300 basis points) would affect the value of the liquidity portfolio as at 31 December 2025 and 31 December 2024.

Table 10
Sensitivity analysis on IFAD's portfolio

2025		2024		
Basis point shift in yield curve (US\$ million)	Change in portfolio value (US\$ million)	Total portfolio (US\$ million)	Change in value of portfolio (US\$ million)	Total portfolio (US\$ million)
-300	12	2 139	22	1 834
-250	8	2 134	17	1 829
-200	5	2 132	13	1 825
-150	4	2 130	10	1 822
-100	2	2 128	7	1 819
-50	1	2 127	4	1 816
0		2 126		1 812
50	-2	2 128	-1	1 813
100	-3	2 123	-4	1 808
150	-5	2 122	-7	1 805
200	-6	2 120	-9	1 803
250	-7	2 119	-12	1 800
300	-9	2 118	-14	1 798

The graph below shows the negative relationship between yields and fixed-income portfolio value.

Graph 1
Sensitivity analysis on investment portfolio value (IFAD-only)
(Millions of United States dollars)

As at 31 December 2025, if the general level of interest rates on the global markets had been 300 basis points higher (as a parallel shift in the yield curves) the overall portfolio value would have been lower by US\$9 million as a result of the capital losses on the marked-to-market portion of the portfolio. If the general level of interest rates on the global markets had been 300 basis points lower (as a parallel shift in the yield curves) the overall portfolio value would have been higher by US\$12 million as a result of the capital gains on the marked-to-market portion of the portfolio.

(g) Credit risk

The Investment Policy Statement and Investment Guidelines set credit rating floors for the eligibility of securities and counterparties. The eligibility of banks and bond issues is determined on the basis of ratings by major credit rating agencies. The minimum allowable credit ratings for portfolios within IFAD's overall investment portfolio under the Investment Policy Statement and Investment Guidelines are shown in table 11.

Table 11
Minimum credit rating floor as per Investment Policy Statement as at 31 December 2025

Eligible asset classes	Credit rating floors ^a
Money market instruments	
• Demand deposits	
• Time deposits	A-/A3
• Certificates of deposit	
• Commercial papers	
• Treasury bills	
• Money market funds (constant net asset value, short-term funds only)	AAA-m/Aaa-mf
• Repurchase and reverse-repurchase	A-/A3
Currency instrument	
Spot foreign exchange	A-/A3
Fixed-income securities: both nominal and inflation-linked	
• Government and government agencies fixed-income bonds at the national or subnational level (including regions, states, provinces, cities, municipalities)	A-/A3
• Supra-national bonds	A-/A3
• Asset-backed securities (only government-, agency-issued or guaranteed)	AAA/Aaa
• Covered bonds	AAA/Aaa
• Corporate bonds	A-/A3
• Bonds issued or guaranteed by financial institutions and depository banks	A-/A3
• Callable bonds	A-/A3
• Inflation-linked bonds	A-/A3
Derivatives: for hedging purposes only	
• Forward foreign exchange	
• Foreign exchange swaps	
• Currency forwards	
• Forward interest rate agreements	A-/A3 counterparty rating
• Exchange-traded futures and options	
• Interest rate swaps	
• Cross currency swaps	
• Credit default swaps	
• Over-the-counter options	
Repurchase and reverse-repurchase/securities lending transactions	A-/A3 counterparty rating

^a The credit rating that is compared to the rating floor is the average credit rating available from the four agencies comprising the Bloomberg Composite Credit Ratings, namely, Standard & Poor's (S&P), Moody's, Fitch and DBRS. The security, issuer, counterparty or their credit support provider must be rated by at least two of the following rating agencies: S&P, Moody's or Fitch.

As at 31 December 2025, the average credit ratings by portfolio were in line with the minimum allowable ratings under the Investment Policy Statement and Investment Guidelines (table 12).

Table 12
Average^a credit ratings by IFAD's portfolio
As at 31 December

Portfolio ^b	Average credit rating	
	2025	2024
Transaction tranche	A-	A-
Operational tranches.	AA+	AA+
Prudential tranche (EUR)	AA	AA
Prudential tranche (USD)	AA+	AA+

^a The average credit rating is calculated based on market values as at 31 December 2025 and 2024.

^b IFAD portfolios are renamed based on new Investment Policy Statement

(h) Currency risk

IFAD's exposure to currency risk on the cash and investment portfolio is described in table 4 within note 4.

Currency risk arises from the potential for losses stemming from changes in foreign exchange rates. IFAD's Asset and Liability Management Framework is guided by the principle of adequately managing the currency composition of its assets and liabilities, so as to limit losses deriving from fluctuations or an adverse reduction in IFAD's financing capacity.

In the case of misalignments that are considered persistent and significant, IFAD undertakes a realignment procedure by changing the currency composition of its projected inflows to align them to its outflows over a 24-month horizon.

(i) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents to meet loan and grant disbursements as well as debt repayments and administrative expenses as they arise.

IFAD's liquidity risk is addressed through IFAD's minimum liquidity ratio (MLR). During 2021, IFAD's liquidity policy stated that highly liquid assets in IFAD's portfolio should remain above 100 per cent of the projected amount of 12 months' disbursements of loans and grants and scheduled repayments of debt.

IFAD's latest financial model assumptions, incorporating the 2025 resources available for commitment under IFAD's sustainable cash flow approach, calculates an MLR of US\$1,210 million that is covered by IFAD's portfolio balance of US\$2,126 million.

(j) Capital adequacy

The Fund's main internal capital adequacy metric is the deployable capital (DC) ratio. The DC ratio assesses IFAD's capital utilization and the availability of resources to support future commitments. To ensure that the Fund is well capitalized and maintains strong credit ratings at all times, the capital utilization trajectory is managed within appropriate tolerance levels, indicating that IFAD has enough capital to cover expected and unexpected losses derived from core and non-core risks embedded within the Fund's operations. As at December 2025, IFAD's debt to capital available ratio was within the parameters established in its Capital Adequacy Policy.

NOTE 5

SHARE INVESTMENTS

	US\$ thousands	
	2025	2024
IFAD	-	-
Supplementary funds	9 888	8 717
Unrealized (losses)/gains	(5 067)	(3 527)
Share investments	4 821	5 190

NOTE 6

CONTRIBUTIONS PROMISSORY NOTES AND RECEIVABLES

Table 1

	US\$ thousands	
	2025	2024
Promissory notes to be encashed		
Replenishment contributions	156 664	70 860
Promissory notes to be encashed	156 664	70 860
Contributions receivable		
Replenishment contributions	875 614	884 059
Supplementary contributions	538 740	441 873
Total	1 414 354	1 325 932
Qualified instruments of contribution	(194 352)	(181 047)
Total promissory notes and contributions receivables	1 376 666	1 215 745

(a) Replenishment

Details of contributions and payments are shown in appendix G. IFAD13 became effective in August 2024.

(b) Special Programme for Africa (SPA)

Details of contributions to the SPA under the first and second phases are shown in appendix G, table 3.

(c) Credit risk

Because of the sovereign status of its donor contributions, the Fund expects that each of its contributions for which a legally binding instrument has been deposited will ultimately be received, except for the amount described in note 7. Collectability risk is covered by the provisions on contributions.

(d) Currency Risk

Appendix G - Statement of Contributions – provides details pertaining to the currency composition of contribution promissory notes and receivables. IFAD overall currency risk is managed as described in note 4(h).

(e) Qualified instruments of contribution and promissory notes

At the end of December 2025, contributions receivables and promissory notes still subject to national appropriation measures amounted to

US\$194.4 million (US\$181.0 million as at 31 December 2024).

NOTE 7

ALLOWANCES FOR CONTRIBUTIONS IMPAIRMENT

The fair value of the allowance is equivalent to the nominal value, given that the underlying receivables/promissory notes are already due at the balance sheet date. In accordance with its policy, IFAD has established allowances at 31 December as follows:

Table 1

	US\$ thousands	
	2025	2024
Balance at beginning of the year	(117 739)	(117 659)
Net (increase)/decrease in allowance	-	(80)
Balance at year-end	(117 739)	(117 739)
Analysed as follows:		
Promissory notes of contributors (a)	(31 993)	(31 993)
Amounts receivable from contributors (b)	(85 746)	(85 746)
Total	(117 739)	(117 739)

(a) Allowances against promissory notes

In accordance with the policy, the Fund has established allowances against promissory notes as at 31 December:

Table 2

	US\$ thousands	
	2025	2024
Initial contributions		
Iran (Islamic Republic of)	(29 358)	(29 358)
	(29 358)	(29 358)
Third Replenishment		
Democratic People's Republic of Korea	(600)	(600)
State of Libya	(2 035)	(2 035)
	(2 635)	(2 635)
Total	(31 993)	(31 993)

(b) Allowances against amounts receivable from contributors

In accordance with its policy, the Fund has established allowances against some of these amounts:

Table 3

	US\$ thousands	
	2025	2024
Initial contributions		
Iran (Islamic Republic of)	(83 167)	(83 167)
Third Replenishment		
Iran (Islamic Republic of)	(2 400)	(2 400)
Twelfth Replenishment		
Gabon	(179)	(179)
Total	(85 746)	(85 746)

NOTE 8

OTHER RECEIVABLES

	US\$ thousands	
	2025	2024
Receivables for investments sold	13	13
Receivables for reimbursement headquarter expenditures	11 928	9 440
Other receivables	16 865	16 401
Total	28 806	25 854

The amounts above are all expected to be received within one year of the balance sheet date. The balance of other receivables includes reimbursements from the host country for expenditures incurred during the year.

NOTE 9

(a) Fixed and intangible assets

Table 1

	US\$ million		
	1 Jan 2025	Increase/ (decrease)	31 Dec 2025
2025			
Cost			
Computer hardware	10.2	0.3	10.5
Computer software	38.1	1.1	39.2
Vehicles	2.7	0.4	3.1
Furniture and fittings	2.1	1.5	3.6
Leasehold improvement	1.9	-	1.9
Total cost	55.0	3.3	58.3
Accumulated depreciation			
Computer hardware	(7.6)	(1.0)	(8.6)
Computer software	(29.2)	(2.5)	(31.7)
Vehicles	(1.7)	(0.4)	(2.1)
Furniture and fittings	(0.9)	(0.4)	(1.3)
Leasehold improvement	(1.6)	(0.1)	(1.7)
Total depreciation	(41.0)	(4.4)	(45.4)
Net fixed and intangible assets	14.0	(1.1)	12.9

	US\$ million		
	1 Jan 2024	Increase/ (decrease)	31 Dec 2024
2024			
Cost			
Computer hardware	8.6	1.6	10.2
Computer software	33.8	4.3	38.1
Vehicles	2.3	0.4	2.7
Furniture and fittings	1.7	0.4	2.1
Leasehold improvement	2.0	(0.1)	1.9
Total cost	48.4	6.6	55.0
Accumulated depreciation			
Computer hardware	(6.6)	(1.0)	(7.6)
Computer software	(24.5)	(4.7)	(29.2)
Vehicles	(1.5)	(0.2)	(1.7)
Furniture and fittings	(0.7)	(0.2)	(0.9)
Leasehold improvement	(1.5)	(0.1)	(1.6)
Total depreciation	(34.8)	(6.2)	(41.0)
Net fixed and intangible assets	13.6	0.4	14.0

(b) Right-of-use assets and lease liabilities

The recognition of right-of-use assets refers mainly to the operating lease agreement for the headquarter building.

Table 2

	US\$ million			
	1 Jan 2025	Increase/ (decrease)	Foreign exchange movement	31 Dec 2025
Right-of-use assets	140.6	0.1	18.4	159.1
Accumulated depreciation				
Right-of-use assets	(48.3)	(6.3)	(6.1)	(60.7)
Net right-of-use assets	92.3	(6.2)	12.3	98.4
Lease liabilities*	(94.1)	4.3	(12.4)	(102.2)

* Of the total above, US\$8.1 million is payable within one year from the balance sheet date.

	US\$ million			
	1 Jan 2024	Increase/ (decrease)	Foreign exchange movement	31 Dec 2024
Right-of-use assets	116.4	31.4	(7.2)	140.6
Accumulated depreciation				
Right-of-use assets	(44.8)	(6.2)	2.7	(48.3)
Net right-of-use assets	71.6	25.2	(4.5)	92.3
Lease liabilities	(72.3)	(26.2)	4.4	(94.1)

NOTE 10**LOANS****(a) Analysis of loan balances**

The composition of the loans outstanding balance by entity as at 31 December is as follows:

Table 1

Consolidated	US\$ thousands	
	2025	2024
IFAD and SPA	9 422 357	8 686 169
Spanish Trust Fund	201 226	190 558
Private Sector Trust Fund	22 308	23 082
Total	9 645 891	8 899 809

The tables below provide details of approved loans (net of cancellations), undisbursed balances and repayments.

(b) Sovereign Loans

Table 2

IFAD and SPA	US\$ thousands	
	2025	2024
Approved loans	19 626 980	17 955 681
Undisbursed balance*	(5 155 950)	(4 874 966)
Repayments	(5 086 363)	(4 432 018)
	9 384 666	8 648 697
Interest/principal receivable	37 691	37 472
Loans outstanding	9 422 357	8 686 169

* This balance comprises US\$3.0 billion (in 2024, US\$2.7 billion) pertaining to commitments for disbursing loans and US\$2.1 billion (in 2024, US\$2.1 billion) pertaining to approved loans, which have not yet met disbursement conditions.

Details of loans approved and disbursed, and of loan repayments, are presented in appendix H.

Table 3

Spanish Trust Fund	US\$ thousands	
	2025	2024
Approved loans	318 098	280 464
Undisbursed balance	-	-
Repayments	(117 557)	(90 724)
	200 541	189 740
Interest/principal receivable	685	818
Loans outstanding	201 226	190 558

(c) Non-sovereign loans

Table 4

IFAD NSO	US\$ thousands	
	2025	2024
Approved loans	10 000	-
Undisbursed balance	(10 000)	-
Repayments	-	-
Loans outstanding	-	-

Private Sector Trust Fund

Approved disburseable loans	151 079	34 419
Undisbursed balance	(127 523)	(11 107)
Repayments	(1 559)	(500)
	21 997	22 812
Interest/principal receivable	311	270
Loans outstanding	22 308	23 082

(d) Accumulated allowance for impairment losses

An analysis of the accumulated allowance for loan impairment losses by entity is shown below:

Table 5a

Consolidated	US\$ thousands	
	2025	2024
IFAD	(197 821)	(139 198)
Spanish Trust Fund (STF)	(11 430)	(6 269)
Private Sector Trust Fund	(3 285)	(3 604)
Accumulated allowance for impairment losses	(212 536)	(149 071)
Provision for Haiti Debt Relief	(5 338)	(8 077)
Total	(217 874)	(157 148)

The balances for the two years ending on 31 December are summarized below:

Table 5b

Consolidated	US\$ thousands	
	2025	2024
Balance at beginning of year	(157 148)	(185 980)
Change in provision	(52 395)	20 691
Exchange rate movements	(8 331)	8 141
Balance at end of year	(217 874)	(157 148)

For the purpose of calculating impairment in accordance with IFRS 9, loans at amortized cost are grouped in three stages.

Stage 1: impairment is calculated on a portfolio basis and equates to a 12-month ECL of these assets.

Stage 2: impairment is calculated on a portfolio basis and equates to the full lifetime ECL of these assets.

Stage 3: impairment is calculated on the full lifetime ECL calculated for each individual asset.

The following tables provide details of the accumulated allowance by stage and by entity for sovereign loans.

Table 6

Sovereign loans	2025 US\$ millions		
	IFAD	STF	Total
Stage 1	(6.1)	(0.1)	(6.2)
Stage 2	(82.3)	(1.1)	(83.4)
Stage 3	(109.4)	(10.2)	(119.6)
Allowance impairment losses	(197.8)	(11.4)	(209.2)
Haiti Debt relief	(5.3)		(5.3)
Total	(203.1)	(11.4)	(214.5)

Table 7

Sovereign loans	2024 US\$ millions		
	IFAD	STF	Total
Stage 1	(3.7)	(0.1)	(3.8)
Stage 2	(71.7)	(1.1)	(72.8)
Stage 3	(63.8)	(5.1)	(68.9)
Allowance impairment losses	(139.2)	(6.3)	(145.5)
Haiti Debt relief	(8.1)	-	(8.1)
Total	(147.3)	(6.3)	(153.6)

The tables below provide a summary of the loan portfolio by stage and exposure (loans outstanding and undrawn commitments) as at 31 December 2025 and 2024.

Table 8

Sovereign Loans	2025 US\$ millions	
	Exposure	Allowance
Stage 1	8 598.1	6.2
Stage 2	3 312.3	83.4
Stage 3	449.3	119.6
Total	12 359.7	209.2
Exposure:		
Loans outstanding	9 479.9	
Loan commitments	2 879.8	
Total	12 359.7	

Table 9

Sovereign Loans	2024 US\$ millions	
	Exposure	Allowance
Stage 1	7 630.6	3.7
Stage 2	3 528.2	72.9
Stage 3	285.0	68.9
Total	11 443.8	145.5
Exposure:		
Loans outstanding	8 737.8	
Loan commitments	2 706.0	
Total	11 443.8	

The table below provides indications of transfers between stages during the year.

Table 10

Sovereign Loans	2025 US\$ millions			
	Stage 1	Stage 2	Stage 3	Total
Exposure at 1 January 2025	7 630.6	3 528.2	285.0	11 443.8
HIPC Countries				
Transfer to Stage 1	608.1	(608.1)		0.0
Transfer to Stage 2	(519.1)	520.7	(1.6)	0.0
Transfer to Stage 3	(80.0)	(177.1)	257.1	0.0
New assets originated or purchased	1 031.5	-	-	1 031.5
Amortization repayments	(353.6)	(107.3)	(2.7)	(463.6)
Cancellations	(100.8)	(5.3)	(114.2)	(220.3)
Forex	381.4	161.2	25.7	568.3
Exposure as at 31 December 2025	8 598.1	3 312.3	449.3	12 359.7

The table below provides a sensitivity analysis of the loan portfolio provisioning to the variation of macroeconomic scenarios used in determining the level of impairment.

Table 11

US\$ million	Probability-weighted scenario			Probability-weighted scenario
	Neutral	Optimistic	Pessimistic	
Stage 1	(5.3)	(4.4)	(9.1)	(6.2)
Stage 2	(82.7)	(81.4)	(86.5)	(83.4)
Stage 3	(119.6)	(119.6)	(119.6)	(119.6)
Total	(207.6)	(205.4)	(215.2)	(209.2)

The accumulated allowance for loan impairment losses for loans in the private sector portfolio amounted to US\$3.3 million (stage 1 - US\$0.5 million, stage 2 - US\$1.5 million and stage 3 - US\$1.3 million) over a total exposure of US\$25.0 million.

(e) Non-accrual status

Loans in stage 3 are in non-accrual status; income from such loans is not recognized in the statement of comprehensive income.

(f) Market risk

IFAD's loan portfolio is well diversified. Loans are provided to Member States according to the performance-based allocation system. Appendix H provides a summary of the geographical distribution, an analysis of the portfolio by lending terms and details about the maturity structure.

(g) Currency Risk

Appendix H – Statement of loans – provides details pertaining to the loan outstanding portfolio. IFAD's overall currency risk is managed as described in note 4(h).

NOTE 11**HIPC INITIATIVE****(a) Impact of the HIPC Initiative**

IFAD provided funding for the HIPC Initiative in the amount of US\$260.2 million during the period 1998-2025. Details of funding from external donors on a cumulative basis are found in appendix E2. Contributions amounted to US\$301.5 million. Investment income amounted to US\$8.6 million (2024 – US\$8.6 million) from the HIPC Trust Fund balances.

For a summary of debt relief reimbursed since the start of the Initiative and expected in the future, please refer to appendix I. Debt relief approved by the Executive Board to date excludes all amounts relating to the enhanced Initiative for Eritrea. At the time of preparation of the 2025 consolidated financial statements, the estimate of IFAD's share of the overall debt relief for these countries, including principal and interest, was US\$19.6 million (2024 – US\$18.9 million for Eritrea).

(b) Accumulated allowance for the HIPC Initiative

The balances for the two years ended 31 December are summarized below:

	US\$ thousands	
	2025	2024
Balance at beginning of year	(88 244)	(101 377)
Change in provision	484	10 336
Decision Point in the year		
Exchange rate movements	(4 566)	2 797
Balance at end of year	(92 326)	(88 244)

NOTE 12**FINANCIAL INSTRUMENTS BY CATEGORY**

Tables 1 and 2 provide information about the Fund's assets and liabilities classification, accounting policies for financial instruments have been applied to the line items below:

Table 1

2025	US\$ millions		
	Cash and bank deposits	Investments at FVTPL	Loans at amortized cost
Level 1			
Cash and bank balances	752	2 125	
Investments at FVTPL			
Level 2			
Investments at FVTPL		38	
Loans outstanding			9 336
Share investments at FVTPL		5	
Other financial assets		50	
Total	752	2 218	9 336
Other financial liabilities			(6)

Table 2

2024	US\$ millions		
	Cash and bank deposits	Investments at FVTPL	Loans at amortized cost
Level 1			
Cash and bank balances	891		
Investments at FVTPL		1 548	
Level 2			
Investments at FVTPL		40	
Loans outstanding			8 654
Share investments at FVTPL		5	
Total	891	1 593	8 654
Other financial Liabilities			18

Borrowing liabilities, other financial liabilities, and undisbursed grants are classified at fair value level 2.

NOTE 13**PAYABLES AND LIABILITIES**

	US\$ thousands	
	2025	2024
Payable for investments purchased	(2 093)	(99)
ASMCS liability	(111 908)	(104 739)
Other payables and accrued liabilities	(98 042)	(90 938)
Total	(212 043)	(195 776)

Of the total above, an estimated US\$148.3 million (2024 – US\$155.7 million) is payable in more than one year from the balance sheet date.

NOTE 14**UNDISBURSED GRANTS**

The balance of effective grants not yet disbursed to grant recipients is as follows:

	US\$ thousands	
	2025	2024
IFAD	(34 762)	(37 913)
Supplementary funds	(328 444)	(287 819)
AATI	(541)	
Rural Resilience Programme	(60 129)	(51 488)
Undisbursed grants	(423 876)	(377 220)

NOTE 15**DEFERRED REVENUES**

Deferred revenue represents contributions received for which revenue recognition has been deferred to future periods to match the related costs. Deferred income includes amounts relating to service charges received for which the related costs have not yet been incurred.

	US\$ thousands	
	2025	2024
IFAD	(107 212)	(99 296)
Supplementary funds	(540 422)	(420 814)
Rural Resilience Programme	(63 537)	(82 515)
PSTF	(56 435)	(52 366)
AATI	(2 733)	(9 220)
Consolidation entries	116 000	115 987
Deferred revenue	(654 339)	(548 224)

NOTE 16**BORROWING LIABILITIES**

The balance represents the funds received for borrowing activities plus interest accrued. For private placements covered by interest rate swap and cross currency swap derivatives that qualify for IFRS 9 hedge accounting, the balance represents the hedge value of borrowing liabilities.

Table 1

	US\$ thousands	
	2025	2024
Borrowing Liabilities at amortized cost		
IFAD	(2 091 560)	(1 802 631)
Spanish Trust Fund	(215 490)	(200 695)
Private Sector Trust Fund	(94 803)	(66 533)
Subtotal borrowing liabilities at amortized costs	(2 401 853)	(2 069 859)
Borrowing liabilities measured at hedge accounting		
IFAD	(1 058 385)	(640 490)
Total borrowing liabilities	(3 460 238)	(2 710 349)

Table 2 below provides additional details pertaining to borrowing liabilities issued in the form of private placements and related swaps.

Table 2

	US\$ thousands	
	2025	2024
Borrowing liabilities hedge accounting		
Opening balance	(640 490)	(349 067)
New issues	(339 631)	(303 125)
Amortization		
Interest payable	(7 713)	(5 014)
Foreign exchange adjustments	(78 369)	26 820
Hedge accounting adjustment	7 818	(10 104)
Subtotal borrowing liabilities measured at hedge accounting	(1 058 385)	(640 490)

The maturity structure of IFAD's borrowing liabilities was as follows:

Table 3

Borrowing Liabilities amortized cost	US\$ thousands	
	2025	2024
IFAD		
0-1 years	(98 250)	(48 342)
2-3 years	(99 557)	(76 686)
3-4 years	(110 241)	(91 339)
4-5 years	(111 223)	(102 437)
5-10 years	(813 708)	(709 636)
More than 10 years	(858 581)	(774 191)
Subtotal	(2 091 560)	(1 802 631)
Borrowing liabilities hedge accounting		
0-1 years	(17 581)	(9 020)
2-4 years	(225 000)	
5-10 years	(473 546)	(344 054)
More than 10 years	(344 415)	(282 826)
Subtotal	(1 060 542)	(635 900)
Borrowing hedge accounting adjustment	2 157	(4 590)
Subtotal	(1 058 385)	(640 490)
Total	(3 149 945)	(2 443 121)

NOTE 17**OTHER FINANCIAL ASSETS (LIABILITIES)**

This balance represents the fair value of derivatives designated as fair value hedges of derivatives held in relation to borrowings liabilities.

Table 1

	US\$ thousands	
	2025	2024
Other financial assets		
Cross currency swaps at floating rate	50 117	-
Other financial liabilities		
Fair value held in relation to borrowing liabilities	(5 679)	(9 652)
Cross currency swaps at floating rate		(8 537)
Total	44 438	(18 189)

Table 2 provides information regarding instruments designated hedge relationship.

Table 2

	US\$ thousands		
	Notional	Other financial assets/(liabilities)	Hedge adjustment
2025			
Cross currency swaps at floating rate	(467 516)	(4 370)	(1 987)
Cross currency swaps receivables/(payables)		54 487	
Subtotal	(467 516)	50 117	(1 987)
Interest rate swaps (fair value hedges)	(575 445)	(5 582)	4 143
Interest rate swaps (payables)/receivables		(97)	
Subtotal	(575 445)	(5 679)	4 143
Total	(1 042 961)	44 438	2 156
2024			
Cross currency swaps at floating rate	(323 330)	3 054	(13 027)
Cross currency swaps Payables		(11 591)	
Subtotal	(323 330)	(8 537)	(13 027)
Interest rate swaps Fair value hedges	(303 550)	(8 874)	8 437
Interest rate swaps receivables/(payables)		(778)	
Subtotal	(303 550)	(9 652)	8 437
Total	(626 880)	(18 189)	(4 590)

NOTE 18

INCOME FROM LOANS

This balance represents amounts accrued and received as the interest component on the loan portfolio.

	US\$ thousands	
	2025	2024
IFAD	132 182	131 729
STF	3 209	4 456
PSTF	992	823
Total	136 383	137 008

NOTE 19

INCOME FROM CASH AND INVESTMENTS

(a) Investment management (IFAD-only)

As at 31 December 2025, funds under management in IFAD's portfolio amounted to US\$2,126 million (2024 – US\$1,812 million).

(b) Derivative instruments

IFAD's portfolio invests in derivative instruments for risk mitigation purposes, primarily to manage the duration of the global liquidity portfolio and asset and liability portfolio, and to ensure alignment to the currency composition of IFAD's commitments. Accordingly, such investments are not considered hedge accounting.

(i) Futures

IFAD had minimal outstanding futures at 31 December 2025. During fiscal year 2025, realized gains on futures amounted to US\$0 million (2024: realized losses US\$0 million).

(ii) Swaps

IFAD's asset portfolios use derivative instruments such as swaps to immunize positions from interest rate risk. Positions hedged are of medium- to long-term maturities, fixed-rate coupon bonds, effectively converted to variable rate instruments. The following tables provide information regarding designated hedging instrument relationships.

Table 1

	US\$ thousands
	2025
Outstanding swaps notional	1 822 692
Derivative assets	
Interest rate swaps	5 187
Derivative liabilities	
Interest rate swaps	(7 825)
Net unrealized market (losses)/ gains of swap contracts	(2 638)
Maturity range of swap contracts	0.1 to 13.4 years

The following table summarizes the notional amount of the hedging instrument, profiled by timing of repayments.

Table 2

	US\$ thousands			
	Less than 1 year	1-2 years	2-5 years	More than 5 years
Interest rates swaps 2025	159 341	61 278	827 309	774 765
Interest rates swaps 2024	128 039	189 263	321 407	512 232

(iii) Forwards

The unrealized market value loss on forward contracts as at 31 December 2025 amounted to US\$0.0 million (2024 – US\$0.1 million). There are no forward contracts as at 31 December 2025.

(c) Income from cash and investments (consolidated)

Gross income from cash and investments for the year ending 31 December 2025 amounted to US\$103.4 million (2024 gross income of US\$93.6 million).

Table 3

<i>Fair value</i>	2025	2024
Interest from banks and fixed-income investments	76 202	60 273
Net realized and unrealized (losses)/gains from futures/options/ swaps	4 600	11 029
Realized capital gain/(loss) from fixed-income securities	2 283	8 370
Unrealized gain/(loss) from fixed-income securities	20 265	13 939
Total	103 350	93 611

The figures above are broken down by income for the consolidated entities, as follows:

Table 4

	<i>US\$ thousands</i>	
	2025	2024
IFAD	97 628	89 061
ASMCS Trust Fund	4 540	3 236
HIPC Trust Fund	38	61
Spanish Trust Fund	579	822
Haiti Debt Relief Initiative	96	17
ASAP	223	158
Private Sector Trust Fund	0	0
Supplementary funds	246	256
Total	103 350	93 611

The annual rate of return on IFAD-only cash and investments in 2025 was 4.11 per cent net of investment expenses (2024: 4.71 per cent net of investment expenses).

NOTE 20

INCOME FROM OTHER SOURCES

This income relates principally to reimbursement from the host government for specific operating expenses. It also includes service charges received from entities housed at IFAD as compensation for providing administrative services. A breakdown is provided below:

<i>Consolidated</i>	<i>US\$ thousands</i>	
	2025	2024
Reimbursement from host government	10 544	8 133
Income from other sources	3 487	10 491
Total	14 031	18 624

NOTE 21

INCOME FROM CONTRIBUTIONS

	<i>US\$ thousands</i>	
	2025	2024
IFAD	23	170
ASAP	26 044	30 961
PSTF	2 361	1 219
AATI	2 699	1 634
Supplementary funds	178 453	208 490
Total	209 580	242 474

NOTE 22

OPERATING EXPENSES

An analysis of IFAD-only operating expenses by principal funding source is shown in appendix K. The breakdown of the consolidated figures is set out below:

	<i>US\$ thousands</i>	
	2025	2024
IFAD	228 352	206 676
Other entities	31 804	31 866
Total	260 156	238 542

The costs incurred are classified in the accounts in accordance with the underlying nature of the expense.

The balance above includes, for the year ended 31 December 2025, external audit fees amounting to EUR 93,010 (EUR 91,280 for fiscal year 2024) and fees for the attestation of the effectiveness of the Internal Control Framework over financial reporting amounting to EUR 81,380 (EUR 79,870 for fiscal year 2024).

NOTE 23

STAFF NUMBERS, RETIREMENT PLAN AND MEDICAL SCHEMES

(a) Staff numbers

Employees that are on IFAD's payroll are part of the retirement and medical plans offered by IFAD. These schemes include participation in the UNJSPF and in the ASMCS.

The number of full-time equivalent employees of the Fund and other consolidated entities in 2025 was as follows (breakdown by principal budget source):

Table 1

Full-time equivalent	<i>Professional</i>	<i>General Service</i>	<i>Total</i>
IFAD administrative budget	469	177	646
APO / special programme officer	21		21
Others	84	12	96
Total 2025	574	189	763
Total 2024	548	186	734

(b) Non-staff

As in previous years, in order to meet its operational needs, IFAD engaged the services of consultants, conference personnel and other temporary contract-holders, who are also covered by an insurance plan.

(c) Retirement plan

The UNJSPF carries out an actuarial valuation every two years; the latest available report was prepared as at 31 December 2023. This valuation revealed an actuarial surplus. Thus the UNJSPF was assessed as adequately funded and the United Nations General Assembly did not invoke the provision of article 26, requiring participating agencies to provide additional payments. IFAD makes contributions on behalf of its staff and would be liable for its share of the unfunded liability, if any (current contributions are paid as 7.9 per cent of pensionable remuneration by the employee and 15.8 per cent by IFAD). Total

retirement plan contributions made for staff in 2025 amounted to US\$20.7 million (2024 – US\$18.0 million).

(d) After-Service Medical Coverage Scheme

The latest actuarial valuation for the ASMCS was carried out as at 31 December 2025. The methodology used was the projected unit-credit-cost method with service prorates. The principal actuarial assumptions used were as follows: discount rate 4.9 per cent for international staff and 6.0 per cent for national staff; return on invested assets, 5.7 per cent; initial medical cost increase 4.4 per cent; inflation 3.8 per cent; and exchange rate. The results determined IFAD's liability as at 31 December 2025 to be US\$111.9 million. The 2025 and 2024 financial statements include a provision and related assets as at 31 December as follows:

Table 2

	US\$ thousands	
	2025	2024
Past service liability	(111 908)	(104 739)
Plan assets*	101 345	89 305
Surplus /(deficit)	(10 563)	(15 434)
Yearly movements		
Opening balance (deficit)	(15 434)	(19 093)
Interest cost	(653)	(637)
Current service charge	(2 300)	(2 642)
Actuarial gains/(losses)	(4 216)	7 629
Interest earned on balances	4 373	3 067
Exchange rate movement	7 667	(3 758)
Closing balance (deficit)	(10 563)	(15 434)
Past service liability		
Total provision at 1 January	(104 739)	(109 089)
Interest cost	(653)	(637)
Current service charge	(2 300)	(2 643)
Actuarial gains/(losses)	(4 216)	7 629
Provision at 31 December	(111 908)	(104 739)
Plan assets		
Total assets at 1 January	89 305	89 996
Interest earned on balances	4 373	3 067
Exchange rate movement	7 667	(3 758)
Total assets at 31 December	101 345	89 305

* Plan asset balance is inclusive of net receivables and payables for pending trades.

ASMCS assets are invested in accordance with the ASMCS Trust Fund Investment Policy Statement as approved by the Executive Board and Governing Council periodically.

IFAD provides for the full annual current service costs of this medical coverage, including its eligible retirees. In 2025, such costs included under staff salaries and benefits in the financial statements amounted to US\$2.3 million (2024 – US\$2.6 million).

Based on the 2025 actuarial valuation, the level of assets necessary for funding requirements is US\$80.2 million in net present value terms (including assets pertaining to the International Land Coalition). As reported above, at 31 December 2025 the assets already held in the trust fund are US\$101.3 million; consequently this is sufficient to cover the level of liabilities in actuarial terms.

(e) Actuarial valuation risk of the ASMCS

A sensitivity analysis of the principal assumptions of the liability contained within the group data as at 31 December 2025 is shown below:

Table 3

Impact on	Liability
Medical inflation:	
2.8 per cent instead of 3.8 per cent	(18.9)
4.8 per cent instead of 3.8 per cent	24.3

NOTE 24

DIRECT BANK AND INVESTMENT COSTS

	US\$ thousands	
	2025	2024
Investment management fees	550	461
Other charges	6 725	4 493
Total	7 275	4 954

NOTE 25

GRANT EXPENSES

The breakdown of the consolidated figures is set out below:

Expenses	US\$ thousands	
	2025	2024
IFAD net grants	13 430	13 900
Supplementary funds*	144 895	173 557
ASAP	24 895	28 457
AATI	1 082	
Total grant expenses	184 302	215 914

* This balance includes a contribution of EUR 2.1 million from Belgium (i.e. BFFS.JP) towards IFAD13.

The grant expenses to countries in debt distress (former DSF) are set out below:

IFAD-only	US\$ thousands	
	2025	2024
Grant expenses to countries in debt distress	151 366	172 516
Total	151 366	172 516

NOTE 26

NET FOREIGN EXCHANGE GAINS/LOSSES

The following rates of one unit of special drawing rights (SDR) in terms of United States dollars as at 31 December were used:

Table 1

Year	United States dollars
2025	1.36921
2024	1.30183
2023	1.34400

The balance of foreign exchange movement is shown below:

Table 2

	US\$ thousands	
	2025	2024
IFAD	341 172	(209 894)
Other entities	22 468	(15 572)
Total movements in the year	363 640	(225 466)

The movement in the account for foreign exchange rates is explained as follows:

Table 3

	US\$ thousands	
	2025	2024
Exchange movements for the year on:		
Cash and investments	143 430	(63 251)
Net receivables/payables	(2 483)	(900)
Loans and grants outstanding	416 617	(246 600)
Promissory notes and Members' receivables	59 453	(25 844)
Member States' contributions	(54 337)	23 702
Borrowing liabilities	(199 040)	87 427
Total movements in the year	363 640	(225 466)

NOTE 27

HIPC INITIATIVE EXPENSES

This balance represents the debt relief provided during the year to HIPC eligible countries for both principal and interest. It reflects the overall net effect of new approvals of HIPC debt relief or top-ups, the payments made to IFAD by the Trust Fund on behalf of HIPC and the release of the portion of deferred revenues for payments from past years.

NOTE 28

INTEREST EXPENSES FINANCIAL LIABILITIES

This is the balance of loan interest expenses accrued and fees incurred for borrowing liabilities as well as for financial lease liabilities.

	US\$ thousands	
	2025	2024
Interest expenses on borrowings	99 158	99 855
Interest expenses on lease liabilities	4 623	3 940
Total	103 781	103 795

NOTE 29

NET (LOSS)/PROFIT FROM HEDGING

The balance in the table below represents the fair value of the derivatives along with corresponding changes in the hedge value of the hedged liability (or asset) that is attributable to the specific hedge risk. Further details are provided in note 16.

	US\$ thousands	
	2025	2024
Interest Rates Swaps		
Borrowings hedge adjustment	(3 986)	(6 406)
Derivatives fair value adjustment	2 992	6 557
Derivatives interest expenses (revenues)	(3 054)	(4 444)
Subtotal	(4 048)	(4 293)
Cross Currency Swaps		
Borrowings hedge adjustment	11 997	(3 697)
Derivatives fair value adjustment	(10 468)	(3 102)
Derivatives interest expenses (revenues)	(5 918)	(8 068)
Subtotal	(4 389)	(14 867)
Total	(8 437)	(19 160)

NOTE 30

HOUSED ENTITY AND OTHER FACILITIES

At 31 December balances owed to IFAD by the housed entities were:

	US\$ thousands	
	2025	2024
GCF	2 973	59
International Land Coalition	2 307	2 190
Total	5 280	2 249

NOTE 31

CONTINGENT LIABILITIES AND ASSETS

(a) Contingent liabilities

IFAD has contingent liabilities in respect of debt relief announced by the World Bank/International Monetary Fund for three countries. See note 11 for further details of the potential cost of loan principal and interest relating to these countries, as well as future interest not accrued on debt relief already approved as shown in appendix I.

IFAD has a contingent liability for grants to countries in debt distress (former DSF financing) effective but not yet disbursed for a global amount of US\$845 million (US\$830 million in 2024). In particular, at the end of December 2025, grants to member countries in debt distress (former DSF) disbursable but not yet disbursed, because the conditions for the release of funds were not yet met, amounted to US\$165 million (US\$167 million in 2024) and while related projects approved but not yet effective amounted to US\$681 million (US\$663 million in 2024).

(b) Contingent assets

At the end of December 2025 the balance of qualified instruments of contribution amounted to US\$194.4 million. These contributions are subject to national appropriation measures, therefore those receivables will be considered due upon fulfilment of those conditions and probable at the reporting date.

NOTE 32**POST-BALANCE-SHEET
EVENTS**

Management is not aware of any events after the balance sheet date that provide evidence of conditions that existed at the balance sheet date or were indicative of conditions that arose after the reporting period that would warrant adjusting the financial statements or require disclosure.

NOTE 33**RELATED PARTIES**

The Fund has assessed related parties and transactions carried out in 2025. This pertained to transactions with Member States (to which IAS 24, paragraph 25, is applicable), key management personnel and other related parties identified under IAS 24. Transactions with Member States and related outstanding balances are reported in appendices H and I. Key management personnel are the President, Vice-President, Associate Vice-Presidents and Director and Chief of Staff, as they have the authority and responsibility for planning, directing and controlling activities of the Fund.

The table below provides details of the remuneration paid to key management personnel over the course of the year, together with balances of various accruals.

Aggregate remuneration paid to key management personnel includes: net salaries; post adjustment; entitlements such as representation allowance and other allowances; assignment and other grants; rental subsidy; personal effect shipment costs; post-employment benefits and other long-term employee benefits; and employer's pension and current health insurance contributions. Key management personnel participate in the UNJSPF.

Independent review of the latest annual financial disclosure statements confirmed that there are no conflicts of interest, nor transactions and outstanding balances, other the ones indicated below, for key management personnel and other related parties identified as per IAS 24 requirements.

	<i>US\$ thousands</i>	
	<i>2025</i>	<i>2024</i>
Salaries and other entitlements	2 769	2 516
Contribution to retirement and medical plans	739	615
Other related parties	37	
Total	3 545	3 131
Total accruals	818	783
Total receivables	56	43

NOTE 34**DATE OF AUTHORIZATION
FOR ISSUE OF THE
CONSOLIDATED FINANCIAL
STATEMENTS**

Management authorized the issuance of the consolidated financial statements on 13 March 2026.

The statements will be submitted for review by the Audit Committee in March 2026 and approved by the

Executive Board in April 2026. The 2024 consolidated financial statements were approved by the Executive Board at its 144th session in May 2025.

Statements of complementary and supplementary contributions

Table 1

Member States:

Statement of cumulative supplementary contributions including project cofinancing from 1978 to 2025^a

(Thousands of United States dollars)

<i>Member States</i>	<i>AATI</i>	<i>APOs</i>	<i>GEF</i>	<i>PSTF</i>	<i>Other supplementary funds</i>	<i>Total</i>
Algeria	-	-	-	-	82	82
Angola	-	-	-	-	7	7
Australia ^b	-	-	-	-	6 863	6 863
Austria	-	-	-	-	755	755
Bangladesh	-	-	-	-	47	47
Belgium	-	1 960	-	-	178 887	180 847
Canada ^c	-	-	-	9 564	37 571	47 136
China	-	1 791	-	-	20 333	22 123
Colombia	-	-	-	-	322	322
Denmark	-	5 093	-	7 678	56 978	69 750
Estonia	-	464	-	-	307	771
Finland ^c	-	5 960	-	6 785	19 507	32 252
France	-	3 435	-	-	29 276	32 711
Germany	-	10 456	-	41 433	87 370	139 259
Ghana	-	-	-	-	82	82
Greece	-	-	-	-	82	82
Hungary	-	-	-	-	500	500
Iceland	-	-	-	-	19	19
India	-	-	-	-	1 082	1 082
Indonesia	-	-	-	-	50	50
Ireland	-	-	-	-	17 003	17 003
Italy	-	9 783	-	-	83 029	92 812
Japan	-	5 358	-	-	11 074	16 432
Jordan	-	-	-	-	153	153
Kuwait	-	-	-	-	129	129
Lebanon	-	-	-	-	92	92
Luxembourg	-	176	-	2 256	11 790	14 222
Malaysia	-	-	-	-	28	28
Mauritania	-	-	-	-	92	92
Morocco	-	-	-	-	50	50
Netherlands (Kingdom of the)	-	11 606	-	-	196 923	208 529
New Zealand	-	-	-	-	4 236	4 236
Nigeria	-	-	-	-	50	50
Norway	-	2 753	-	-	78 366	81 119
Pakistan	-	-	-	-	25	25
Paraguay	-	-	-	-	15	15
Portugal	-	-	-	-	855	855
Qatar	-	-	-	-	117	117
Republic of Korea	-	8 351	-	-	9 541	17 891
Russian Federation	-	-	-	-	1 500	1 500
Saudi Arabia	-	-	-	-	4 484	4 484
Senegal	-	-	-	-	109	109
Sierra Leone	-	-	-	-	88	88
Spain	-	-	-	-	18 319	18 319
Suriname	-	-	-	-	2 000	2 000
Sweden	-	5 245	-	-	52 220	57 465
Switzerland	-	4 012	-	-	48 606	52 618
Türkiye	-	-	-	-	47	47
United Kingdom	-	-	-	-	35 928	35 928
United States	-	617	-	-	11 700	12 317
Total	-	77 060	-	67 717	1 028 689	1 173 466

^a Non-United States dollars contributions have been translated at the year-end exchange rate; contributions exclude 1 per cent levy, where applicable, and are net of refunds to donors.

^b Australia's withdrawal from IFAD membership became effective 31 July 2007.

^c Returnable contributions not included; these are presented in appendix L1.

Table 2

Non-Member States and other sources:**Statement of cumulative supplementary contributions including project cofinancing from 1978 to 2025 ^a**

(Thousands of United States dollars)

<i>Non-Member States and other sources</i>	<i>AATI</i>	<i>APOs</i>	<i>GEF</i>	<i>PSTF</i>	<i>Other supplementary funds</i>	<i>Total</i>
Abu Dhabi Fund for Development	-	-	-	-	1 481	1 481
Adaptation Fund	-	-	-	-	201 471	201 471
African Development Bank	-	-	-	-	3 896	3 896
Arab Authority for Agricultural Investment and Development	-	-	-	-	37	37
Arab Bank	-	-	-	-	25	25
Arab Fund for Economic and Social Development	-	-	-	-	2 983	2 983
Arab Gulf Programme for United Nations Development Organizations	-	-	-	-	299	299
Argidius Foundation	-	-	-	-	262	262
Cassava Programme	-	-	-	-	69	69
Chief Executives Board for Coordination (CEB)	-	-	-	-	998	998
China International Centre for Economic and Technical Exchanges	-	-	-	-	2 268	2 268
Congressional Hunger Center	-	-	-	-	183	183
Coopernic	-	-	-	-	3 523	3 523
European Commission	-	-	-	-	1 008 500	1 008 500
Food and Agriculture Organization of the United Nations (FAO)	-	-	-	-	4 280	4 280
Gates Foundation	6 651	-	-	-	26 873	33 523
Global Agriculture and Food Security Program (GAFSP)	-	-	-	-	332 147	332 147
Global Biodiversity Framework Fund (GBFF)	-	-	-	-	164	164
Global Environment Facility (GEF)	-	-	300 477	-	-	300 477
IFAD	2 000	-	-	25 000	42 703	69 703
Least Developed Countries Fund (LDCF) / Special Climate Change Fund (SCCF)	-	-	-	-	157 881	157 881
Multilateral Cooperation Center for Development Finance (MCDF)	-	-	-	-	2 730	2 730
New Venture Fund	-	-	-	-	56	56
Nordic Development Fund	-	-	-	-	500	500
OPEC Fund for International Development (OPEC Fund)	-	-	-	-	2 698	2 698
Open Society London	-	-	-	-	1 000	1 000
Small Foundation	-	-	-	-	400	400
The David and Lucile Packard Foundation	-	-	-	-	298	298
United States Department of State	-	-	-	-	516	516
United Nations Fund for International Partnerships (UNFIP)	-	-	-	-	223	223
United Nations Capital Development Fund (UNCDF)	-	-	-	-	623	623
United Nations Development Programme (UNDP)	-	-	-	-	33 253	33 253
United Nations Economic Commission for Africa (UNECA)	-	-	-	-	353	353
United Nations Office for Project Services (UNOPS)	-	-	-	-	2 422	2 422
United Nations Office for South-South Cooperation (UNOSSC)	-	-	-	-	1 695	1 695
United Nations Organization (UNO)	-	-	-	-	3 017	3 017
UN Women	-	-	-	-	900	900
Visa Foundation	-	-	-	-	3 995	3 995
Windward Fund	-	-	-	-	4 160	4 160
World Bank ^b	-	-	-	-	7 063	7 063
Other Supplementary funds	-	-	-	-	4 492	4 492
Total non-Member States and other sources	8 651	-	300 477	25 000	1 860 437	2 194 565
Total 2025	8 651	77 060	300 477	92 717	2 889 126	3 368 031
Total 2024	12 000	73 759	226 927	86 314	2 538 480	2 937 480

^a Non-United States dollars contributions have been translated at the year-end exchange rate; contributions exclude 1 per cent levy, where applicable, and are net of refunds to donors.

^b Contributions from the World Bank for GAFSP, GEF, GBFF, LDCF and SCCF are presented separately.

Statement of cumulative complementary contributions from 1978 to 2025

(Thousands of United States dollars)

	<i>Amount</i>
Other complementary contributions	
Canada	1 511
Germany	458
India	1 000
Saudi Arabia	30 000
Sweden	13 827
United Kingdom	12 002
Subtotal	58 798
Cumulative contributions received from Belgium for the BFFS.JP in the context of replenishments	80 002
Subtotal	138 800
Contributions made in the context of replenishments to the HIPC Trust Fund	
Italy	4 602
Luxembourg	1 053
Netherlands (Kingdom of the)	14 024
Subtotal	19 679
Contributions made to ASAP in the context of replenishments	310 645
Unrestricted complementary contributions to the Tenth Replenishment	
Canada	7 586
Germany	15 307
Netherlands (Kingdom of the)	23 347
Russian Federation	3 000
United States	10 000
Subtotal	59 240
Unrestricted complementary contributions to the Eleventh Replenishment	
Germany	22 468
Luxembourg	1 706
Sweden	12 640
Switzerland	11 958
Subtotal	48 772
Total complementary contributions 2025	577 136
Total complementary contributions 2024	577 136

Statement of contributions from Member States and donors to the HIPC Initiative and contributions to arrears clearance

(Thousands of United States dollars)

	<i>Amount</i>
Contributions made in the context of replenishments (see table above)	19 679
Contributions not made in the context of replenishments:	
Belgium	2 713
European Commission	10 512
Finland	5 193
Germany	6 989
Iceland	250
Norway	5 912
Sweden	17 000
Switzerland	3 276
World Bank HIPC Trust Fund	230 020
Total contributions to IFAD's HIPC Trust Fund 2025	301 544
Total contributions to IFAD's HIPC Trust Fund 2024	301 544
Contributions made in the context of arrear clearance for Somalia	
Belgium	2 955
Italy	482
Sweden	969
Germany	6 498
Total contributions for Somalia arrears clearance 2025	10 904
Total contributions for Somalia arrears clearance 2024	10 904

Contributions received in 2025

(Thousands of United States dollars)

	<i>Currency</i>	<i>Amount</i>	<i>US\$ equivalent amount</i>
Adaptation Fund	USD	33 695	33 695
Argidius Foundation	USD	100	100
China International Centre for Economic and Technical Exchanges	USD	1 588	1 588
Colombia	USD	150	150
European Commission	EUR	22 445	26 082
European Commission	USD	14 948	14 948
Finland	EUR	3 050	3 435
Finland a	USD	32 400	32 400
Food and Agriculture Organization of the United Nations (FAO)	USD	476	476
France	EUR	7 000	8 060
Gates Foundation	USD	9 488	9 488
Germany	EUR	13 395	15 542
Global Agriculture and Food Security Program (GAFSP)	USD	72 100	72 100
Global Biodiversity Framework Fund (GBFF)	USD	164	164
Ireland	EUR	1 050	1 228
Italy	EUR	4 135	4 775
Japan	USD	687	687
Republic of Korea	KRW	1 100 000	758
Multilateral Cooperation Center for Development Finance (MCDF)	USD	2 730	2 730
Netherlands (Kingdom of the)	EUR	6 150	6 878
New Zealand	NZD	2 750	1 659
Nordic Development Fund	USD	125	125
Norway	NOK	25 884	2 551
Saudi Arabia	USD	907	907
Spain	EUR	600	692
Sweden	SEK	20 000	2 092
Switzerland	CHF	1 000	1 243
Switzerland	EUR	50	59
United Nations Development Programme (UNDP)	USD	2 451	2 451
UN Women	USD	199	199
Visa Foundation	USD	500	500
Windward Fund	USD	1 483	1 483
Subtotal			249 241
Member States for APOs			
China	USD	279	279
Estonia	USD	59	59
France	USD	458	458
Germany	USD	459	459
Italy	USD	837	837
Republic of Korea	USD	639	639
Luxembourg	USD	176	176
Netherlands (Kingdom of the)	USD	339	339
Switzerland	USD	143	143
Subtotal			3 388
Grand total			252 630

^a Funds received from Finland include funding for returnable contribution.

Unspent funds in 2025 and 2024

Table 1

Unspent complementary and supplementary funds from Member States and non-Member States

(Thousands of United States dollars)

<i>Member States</i>	<i>APOs</i>	<i>Other supplementary funds</i>	<i>Total</i>
Australia	-	367	367
Belgium	0	1 402	1 402
Canada	-	698	698
China	370	3 241	3 611
Colombia	-	42	42
Denmark	84	871	955
Estonia	153	35	188
Finland	-	3 148	3 148
France	434	9 391	9 825
Germany	490	9 481	9 971
Hungary	-	460	460
India	-	259	259
Ireland	-	2 267	2 267
Italy	809	5 451	6 260
Japan	284	2 559	2 843
Lebanon	-	91	91
Luxembourg	69	126	196
Malaysia	-	13	13
Netherlands (Kingdom of the)	102	7 418	7 520
New Zealand	-	1 419	1 419
Norway	101	2 962	3 063
Republic of Korea	724	1 568	2 292
Russian Federation	-	16	16
Saudi Arabia	-	291	291
Spain	-	385	385
Sweden	31	6 359	6 390
Switzerland	250	310	561
United States	-	116	116
Total	3 900	60 747	64 648

Table 2

Other unspent complementary and supplementary funds from non-Member States

(Thousands of United States dollars)

<i>Non-Member States</i>	<i>APOs</i>	<i>Other supplementary funds</i>	<i>Total</i>
Abu Dhabi Fund for Development		312	312
Adaptation Fund		3 107	3 107
Gates Foundation		4 996	4 996
China International Centre for Economic and Technical Exchanges		1 470	1 470
European Commission		56 615	56 615
Food and Agriculture Organization of the United Nations (FAO)		18	18
Global Agriculture and Food Security Program (GAFSP)		117 619	117 619
Global Biodiversity Framework Fund (GBFF)		43	43
Global Dairy Platform		1	1
IFAD		1 182	1 182
Least Developed Countries Fund (LDCF) / Special Climate Change Fund (SCCF)		45 494	45 494
Multilateral Cooperation Center for Development Finance (MCDF)		2 567	2 567
Nordic Development Fund		59	59
Packard Foundation		6	6
UN Women		124	124
United Nations Development Programme (UNDP)		12 523	12 523
United Nations Economic Commission for Africa (UNECA)		13	13
Visa Foundation		1 027	1 027
World Bank		25 987	25 987
United Nations Office for Project Services (UNOPS)		70	70
Windward Fund		1 135	1 135
Other		17 827	17 827
Total non-Member States and other sources	-	292 195	292 195
Grand total 2025	3 900	352 942	356 843
Grand total 2024	3 499	289 327	292 826

Summary of the Rural Resilience Programme

Table 1

Summary of complementary contributions and supplementary funds to the Rural Resilience Programme Trust Fund (2RP)

(As at 31 December 2025)

(Thousands of United States dollars)

ASAP	<i>Member States</i>	<i>Total contribution in local currency</i>	<i>Complementary contributions received^a</i>	<i>Supplementary funds contributions received^b</i>	<i>Total contributions received</i>
	Belgium	EUR 6 000	7 855	-	
	Canada	CAD 19 849	19 879	-	
	Finland	EUR 5 000	6 833	-	
	Netherlands (Kingdom of the)	EUR 40 000	48 581	-	
	Norway	NOK 63 000	9 240	-	
	Sweden	SEK 30 000	4 471	-	
	Switzerland	CHF 10 000	10 949	-	
	United Kingdom	GBP 147 523	202 837	-	
	Flemish Department for Foreign Affairs	EUR 2 000	-	2 380	
	Republic of Korea	US\$ 3 000	-	3 000	
Subtotal ASAP			310 645	5 380	316 025
ASAP2	Norway	NOK 80 000		9 550	
	France	EUR 292		326	
	Sweden	SEK 50 000		5 904	
Subtotal ASAP2				15 780	15 780
ASAP+	Austria	EUR 2 000		2 418	
	Gates Foundation	US\$ 4 755		2 500	
	Denmark	DKK 190 000		28 170	
	Germany	EUR 32 000		30 617	
	Ireland	EUR 4 000		4 702	
	Sweden	SEK 100 000		11 018	
	Qatar	US\$ 500		500	
	Norway	NOK 100 000		9 882	
Subtotal ASAP+				89 807	89 807
	Vision for Adapted Crops and Soils (VACS)				
	ADM Cares	US\$ 500		500	
	United States Department of the Treasury	US\$ 8 915		8 915	
Subtotal VACS				9 415	9 415
Total Rural Resilience Programme (2RP) as at 31 December 2025			310 645	120 382	431 027

^a Payments counter-valued at exchange rate prevailing at receipt date.^b As at 31 December 2025, overall 2RP supplementary funds contributions amounted to US\$127.9 million of which US\$120.4 million encashed and US\$7.5 million receivables.

Table 2
Summary of grants under the Rural Resilience Programme

<i>Grant recipient</i>	<i>Approved grants less cancellations</i>	<i>Disbursable</i>	<i>Disbursements</i>	<i>Undisbursed portion of disbursable grants</i>	<i>Undisbursed grants</i>
US\$ grants					
Cuba	4 000	4 000	3 601	399	-
Iraq	2 000	2 000	1 996	4	-
Republic of Moldova	4 907	-	4 907	-	-
Nigeria	3 500	3 500	3 500	-	-
Total US\$	14 407	9 500	14 003	403	0
EUR grants					
Côte d'Ivoire	3 070	3 070	1 624	1 446	-
Montenegro	1 878	-	1 878	-	-
Total EUR	4 948	3 070	3 501	1 446	0
US\$ equivalent	5 811	3 606	4 112	1 698	0
SDR grants					
Burundi	3 385	-	3 385	-	-
Benin	3 220	3 220	3 208	12	-
Bangladesh	9 497	-	9 497	-	-
Bolivia (Plurinational State of)	6 401	-	6 401	-	-
Bhutan	3 580	3 580	3 579	1	-
Côte d'Ivoire	1 619	-	1 619	-	-
Comoros	740	740	737	3	-
Cabo Verde	2 900	2 900	2 900	-	-
Djibouti	3 995	-	3 995	-	-
Ecuador	-	-	-	-	-
Egypt	3 380	3 380	3 357	23	-
Ethiopia	7 866	-	7 866	-	-
Ghana	6 396	-	6 396	-	-
Gambia (The)	3 536	-	3 536	-	-
Kenya	7 100	7 100	7 100	-	-
Kyrgyzstan	6 496	-	6 496	-	-
Cambodia	10 150	-	10 150	-	-
Lao People's Democratic Republic	3 550	-	3 550	-	-
Liberia	3 280	3 280	3 279	1	-
Lesotho	4 568	-	4 568	-	-
Morocco	938	-	938	-	-
Madagascar	4 200	4 200	3 792	408	-
Mali	6 498	-	6 498	-	-
Mozambique	3 250	-	3 250	-	-
Mauritania	4 300	4 300	3 505	795	-
Malawi	5 150	5 150	5 147	3	-
Niger	9 250	9 250	9 112	138	-
Nigeria	7 161	-	7 161	-	-
Nicaragua	5 247	-	5 247	-	-
Nepal	9 629	-	9 629	-	-
Paraguay	3 559	-	3 504	55	-
Rwanda	4 509	-	4 509	-	-
Sudan	6 736	-	6 736	-	-
El Salvador	3 560	3 560	3 560	-	-
Chad	3 240	-	3 240	-	-
Tajikistan	3 600	-	3 600	-	-
United Republic of Tanzania	-	-	-	-	-
Uganda	6 769	-	6 769	-	-
Viet Nam	7 591	-	7 591	-	-
Yemen	-	-	-	-	-
Total SDR	186 847	50 660	185 407	1 441	0
US\$ equivalent	255 832	69 364	253 860	1 972	0
Total ASAP1 grants as at 31 December 2025	276 050	82 470	271 976	4 074	0

Table 3
Summary of grants under the ASAP2
(Thousands of United States dollars)

<i>Grant recipient</i>	<i>Approved grants less cancellations</i>	<i>Disbursable</i>	<i>Disbursements</i>	<i>Undisbursed portion of disbursable grants</i>	<i>Undisbursed grants</i>
US\$ grants					
FAO	802	705	705	-	96
Indonesia	244	-	244	-	-
Kenya	290	-	290	-	-
Wageningen Centre for Development Innovation	272	-	272	-	-
Somalia	68	-	68	-	-
Climate Policy Initiative	1 300	-	1 300	-	-
BRAC USA	248	-	248	-	-
World Food Programme	1 187	-	1 187	-	-
Total ASAP2 grants in US\$	4 411	705	4 314	0	96

Table 4
Summary of grants under the Adaptation for Smallholder Agriculture Programme (ASAP+)
(Thousands of United States dollars)

<i>Grant recipient</i>	<i>Approved grants less cancellations</i>	<i>Disbursable</i>	<i>Disbursements</i>	<i>Undisbursed portion of disbursable grants</i>	<i>Undisbursed grants</i>
US\$ grants					
Brazil	21 461	21 461	4 266	17 196	-
Ethiopia	10 500	10 500	3 592	6 908	-
Lesotho	4 394	4 394	264	4 130	-
Malawi	7 000	7 000	5 428	1 572	-
Niger	7 000	7 000	-	7 000	-
Somalia	7 000	7 000	226	6 774	-
Chad	6 999	6 999	1 002	5 997	-
Total US\$	64 354	64 354	14 778	49 576	0
EUR grants					
Burkina Faso	6 453	6 453	936	5 517	-
Total EUR	6 453	6 453	936	5 517	0
US\$ equivalent	7 578	7 578	1 099	6 479	0
Total ASAP+ grants as at 31 December 2025	71 933	71 933	15 878	56 055	0
Grand total	352 394	155 108	292 168	60 129	97

Management and external auditor's reports



Investing in rural people

Management Assertion Report on the Effectiveness of Internal Controls Over Financial Reporting

Management of the International Fund for Agricultural Development (hereinafter IFAD or the Fund) is responsible for the preparation, fair presentation and overall integrity of its Consolidated Financial Statements. The Financial Statements of the Fund have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

According to the Financial Regulations of IFAD, the President is responsible for establishing and maintaining appropriate internal financial control and audit systems of the Fund which would include those over external financial reporting.

The Executive Board of the Fund established an Audit Committee, whose terms of reference, among other things, is to assist the Executive Board in exercising supervision over the financial administration and internal oversight of the Fund. Financial administration would include effectiveness of internal controls over financial reporting. The Audit Committee is comprised entirely of selected members of the Executive Board and oversees the process for the selection of the external auditor and makes a recommendation for such selection to the Executive Board for its approval. The Audit Committee meets with the external and internal auditors to discuss, respectively, the scope and design of the audit, and annual workplan, and any other matter within the Audit Committee's terms of reference that may require the Audit Committee's attention.

The system of internal controls over financial reporting contains monitoring mechanisms and actions that are meant to detect, prevent and facilitate correction of deficiencies identified that may result in material weaknesses in internal controls over financial reporting. There are inherent limitations to the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, an effective internal control system can only provide reasonable, as opposed to absolute assurance with respect to financial statements. Furthermore, the effectiveness of an internal control system can change with circumstances.

The Fund's Management assessed the effectiveness of internal controls over financial reporting for the financial statements presented in accordance with IFRS as of 31 December 2025. The assessment was based on the criteria for effective internal controls over financial reporting described in the Internal Control -Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the work performed, Management believes that the Fund maintained an effective system of internal controls over financial reporting as of 31 December 2025 and is not aware of any material control weakness that could affect the reliability of the 2025 financial statements. IFAD's independent external auditor, PricewaterhouseCoopers, S.p.A, has audited the financial statements and has issued an attestation report on Management's assertion on the Fund's internal controls over financial reporting.

Handwritten signature of Alvaro Lario in blue ink.

Alvaro Lario
President

Handwritten signature of Diane Menville in blue ink.

Diane Menville
Associate Vice President
and Chief Financial Officer

Handwritten signature of Alegra Saltto in blue ink.

Alegra Saltto
Director and Controller
Financial Controller's Division



Independent auditor's report

To the International Fund for Agricultural Development

Opinion

We have audited the consolidated financial statements of the International Fund for Agricultural Development (“the Fund” or “IFAD”), the consolidated and IFAD-only balance sheet as at 31 December 2025, the consolidated and IFAD-only statements of comprehensive income, the consolidated and IFAD-only statements of changes in equity, the consolidated and IFAD-only cash flow statement for the year then ended, the statements of complementary and supplementary contributions, the statement of cumulative complementary contributions from 1978 to 2025, the statement of contributions from Member States and donors to the HIPC initiative and contributions to arrears clearance, the contributions received in 2025, the Unspent Funds and the summary of the Rural Resilience Programme and related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Fund as of 31 december 2025 and of the result of its operations and cash flows for the year then ended in compliance with IFRS Accounting Standards issued by the International Accounting Standards Board governing the criteria for their preparation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of this report. We are independent of the company International Fund for Agricultural Development (the “Fund”) in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers SpA

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Other information

Management is responsible for the other information. The other information comprises the information included in Appendices G, H, H1, H2, H3, I, J, K, L and L1 as defined within the section 'Contents' on page i (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the President and those charged with governance for the consolidated financial statements

The President is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards governing the criteria for their preparation and, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The President is responsible for assessing the Fund's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the President use the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing, in the terms prescribed by law, the Fund's financial reporting process.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISAs), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the President.
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to



the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Fund to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISAs regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

Rome, 13 March 2026

PricewaterhouseCoopers SpA

A handwritten signature in blue ink, appearing to read 'Scott Cunningham'.

Scott Cunningham

(Partner)



Independent reasonable assurance report on Management's Assessment of Internal Controls over Financial Reporting

To International Fund for Agricultural Development

We have been engaged to undertake a reasonable assurance engagement of the accompanying management's assessment that the International Fund for Agricultural Development ('the Fund' or 'IFAD') maintained an effective system of internal controls over financial reporting as at 31 December 2025, as contained in the accompanying 'Management Assertion Report on the Effectiveness of Internal Controls Over Financial Reporting'.

Responsibilities of the management

Management of the Fund is responsible for implementing and maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting in accordance with the criteria for effective internal controls over financial reporting based on criteria established in 'Internal Control - Integrated Framework (2013)' issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management of the Fund is also responsible for the preparation of the 'Management Assertion Report on the Effectiveness of Internal Controls Over Financial Reporting'.

Our independence and quality management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code') issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers SpA

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Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on the 'Management Assertion Report on the Effectiveness of Internal Controls Over Financial Reporting' based on the procedures performed. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board for reasonable assurance engagements. That standard requires that we plan and perform procedures to obtain reasonable assurance about whether the 'Management Assertion Report on the Effectiveness of Internal Controls Over Financial Reporting' is free from material misstatement.

Our engagement involved performing procedures to obtain evidence regarding the design, implementation, and operating effectiveness of the internal controls over financial reporting, supporting the 'Management Assertion Report on the Effectiveness of Internal Controls Over Financial Reporting'. The procedures selected depend on the auditor's professional judgement, including an assessment of the risks of material misstatements in the 'Management Assertion Report on the Effectiveness of Internal Controls Over Financial Reporting', whether due to fraud or error. In making that risk assessment, the auditor consider internal control relevant to the preparation of the accompanying consolidated financial statements of IFAD as at 31 December 2025.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, management's assessment that IFAD as at 31 December 2025, maintained an effective system of internal controls over financial reporting, is prepared, in all material respects, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).



Basis of preparation and restriction on distribution and use

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. An entity's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management of the entity; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Rome, 13 March 2026

PricewaterhouseCoopers SpA

A handwritten signature in blue ink, appearing to read 'Scott Cunningham', positioned above the printed name.

Scott Cunningham

(Partner)

Statements of contributions

Table 1

Summary of contributions

(Thousands of United States dollars)

	2025	2024
Replenishments		
Initial contributions	1 017 370	1 017 370
First Replenishment	1 016 564	1 016 564
Second Replenishment	567 245	567 245
Third Replenishment	553 931	553 931
Fourth Replenishment	361 436	361 436
Fifth Replenishment	441 401	441 401
Sixth Replenishment	567 021	567 021
Seventh Replenishment	654 640	654 640
Eighth Replenishment	963 550	963 550
Ninth Replenishment	987 355	987 355
Tenth Replenishment	913 959	913 959
Eleventh Replenishment	1 040 260	1 040 175
Twelfth Replenishment	1 220 321	1 219 780
Thirteenth Replenishment	1 269 703	884 430
Total IFAD	11 574 756	11 188 857
Special Programme for Africa (SPA)		
SPA Phase I	288 868	288 868
SPA Phase II	62 364	62 364
Total SPA	351 232	351 232
Special contributions ^a	20 369	20 369
Total replenishment contributions	11 946 357	11 560 458
Complementary contributions		
Belgian Survival Fund	80 002	80 002
HIPC Initiative	19 679	19 679
ASAP complementary contributions	310 645	310 645
Unrestricted complementary contributions – Tenth Replenishment	59 240	59 240
Unrestricted complementary contributions – Eleventh Replenishment	48 772	48 772
Other complementary contributions	58 798	58 798
Total complementary contributions	577 136	577 136
Other		
HIPC contributions not made in the context of replenishment resources	301 544	301 544
Belgian Survival Fund contributions not made in the context of replenishment resources	63 836	63 836
Contribution in the context of arrear clearance for Somalia	10 904	10 904
Supplementary contributions		
Other supplementary funds	2 889 126	2 538 480
AATI	8 651	12 000
APO	77 060	73 759
GEF	300 477	226 927
PSTF	186 725	150 322
Rural Resilience Programme	120 382	116 835
Total supplementary contributions	3 582 421	3 118 323
Total contributions	16 482 198	15 632 201
Total contributions include the following:		
Total replenishment contributions (as above)	11 946 357	11 560 458
Less provisions	(117 739)	(117 738)
Less qualified instruments of contribution	(194 352)	(181 048)
Less compensation for grants to countries in debt distress	(38 514)	(37 157)
Total replenishment contributions	11 595 752	11 224 515

^a Including Iceland's special contribution prior to membership and US\$20 million from the OPEC Fund.

Table 2

Replenishments through to IFAD13: Statement of Members' contributions ^a

(As at 31 December 2025)

(Thousands of US\$ equivalent)

Member State	Replenishments through to IFAD12	IFAD13			Total
		Instruments deposited	Payments		
			Cash	Promissory notes	
Afghanistan	-	-	-	-	-
Albania	60	-	-	-	-
Algeria	82 930	500	250	-	250
Angola	13 796	-	-	-	-
Argentina	32 400	2 500	833	-	833
Armenia	95	5	5	-	5
Australia ^b	37 247	-	-	-	-
Austria	144 453	21 013	6 495	-	6 495
Azerbaijan	310	-	-	-	-
Bangladesh	10 106	2 000	667	-	667
Barbados	10	-	-	-	-
Belgium	149 694	3 804	3 804	-	3 804
Belize	205	-	-	-	-
Benin	782	-	-	-	-
Bhutan	255	10	10	-	10
Bolivia (Plurinational State of)	1 740	-	-	-	-
Bosnia and Herzegovina	385	254	254	-	254
Botswana	1 010	135	45	-	45
Brazil	110 696	13 000	7 400	-	7 400
Burkina Faso	984	250	250	-	250
Burundi	180	-	-	-	-
Cambodia	2 415	-	-	-	-
Cameroon	5 424	600	600	-	600
Canada	550 510	184 970	54 740	-	54 740
Cabo Verde	92	35	35	-	35
Central African Republic	13	-	-	-	-
Chad	391	100	100	-	100
Chile	860	-	-	-	-
China	334 668	88 200	28 672	-	28 672
Colombia	1 100	-	-	-	-
Comoros	31	-	-	-	-
Congo	913	-	-	-	-
Democratic Republic of the Congo	2 570	1 000	1 000	-	1 000
Cook Islands	5	-	-	-	-
Costa Rica	-	102	102	-	102
Côte d'Ivoire	1 952	-	-	-	-
Cuba	106	-	-	-	-
Cyprus	492	-	-	-	-
Denmark	152 614	22 113	22 113	-	22 113
Djibouti	37	100	100	-	100
Dominica	55	-	-	-	-
Dominican Republic	1 484	220	73	-	73
Timor-Leste	100	-	-	-	-
Ecuador	1 601	210	210	-	210
Egypt	32 409	-	-	-	-
El Salvador	300	-	-	-	-
Eritrea	140	-	-	-	-
Estonia	59	21	21	-	21
Eswatini	378	40	40	-	40
Ethiopia	481	100	35	-	35
Fiji	469	-	-	-	-
Finland	157 059	34 325	20 232	-	20 232
France	545 615	150 000	50 000	-	50 000
Gabon	4 337	-	-	-	-
Gambia (The)	170	-	-	-	-
Georgia	80	30	30	-	30
Germany	689 880	103 987	31 238	-	31 238
Ghana	5 566	-	-	-	-

<i>Member State</i>	<i>Replenishments through to IFAD12</i>	<i>IFAD13</i>			
		<i>Instruments deposited</i>		<i>Payments</i>	
				<i>Cash</i>	<i>Promissory notes</i>
Greece	4 391	93	93	-	93
Grenada	95	-	-	-	-
Guatemala	2 143	450	75	-	75
Guinea	754	-	-	-	-
Guinea-Bissau	45	50	50	-	50
Guyana	3 981	238	238	-	238
Haiti	417	300	300	-	300
Honduras	801	-	-	-	-
Hungary	100	-	-	-	-
Iceland	375	-	-	-	-
India	267 073	25 000	9 000	-	9 000
Indonesia	91 959	3 000	3 000	-	3 000
Iran (Islamic Republic of) °	128 750	-	-	-	-
Iraq	56 599	-	-	-	-
Ireland	60 516	28 887	9 392	-	9 392
Israel	506	-	-	-	-
Italy	646 264	126 304	35 871	-	35 871
Jamaica	326	-	-	-	-
Japan	639 095	38 821	-	38 821	38 821
Jordan	1 440	67	67	-	67
Kazakhstan	117	5	5	-	5
Kenya	7 690	2 000	2 000	-	2 000
Kiribati	26	-	-	-	-
Democratic People's Republic of Korea °	800	-	-	-	-
Republic of Korea	59 699	14 100	4 700	-	4 700
Kuwait	249 513	45 000	13 500	31 500	45 000
Kyrgyzstan	-	30	30	-	30
Lao People's Democratic Republic	571	-	-	-	-
Lebanon	495	-	-	-	-
Lesotho	919	200	200	-	200
Liberia	181	-	-	-	-
Lithuania	-	52	52	-	52
Libya °	52 000	-	-	-	-
Luxembourg	16 697	5 150	1 627	-	1 627
Madagascar	976	110	110	-	110
Malawi	223	-	-	-	-
Malaysia	1 245	-	-	-	-
Maldives	151	-	-	-	-
Mali	920	-	-	-	-
Malta	55	-	-	-	-
Mauritania	334	100	100	-	100
Mauritius	285	-	-	-	-
Mexico	51 464	-	-	-	-
Micronesia (Federated States of)	4	-	-	-	-
Republic of Moldova	165	30	30	-	30
Mongolia	225	-	-	-	-
Montenegro	12	74	74	-	74
Morocco	10 344	800	800	-	800
Mozambique	840	-	-	-	-
Myanmar	272	-	-	-	-
Namibia	360	-	-	-	-
Nepal	494	75	75	-	75
Netherlands (Kingdom of the)	651 680	100 000	72 977	-	72 977
New Zealand	20 587	2 626	1 763	-	1 763
Nicaragua	769	-	-	-	-
Niger	731	-	-	-	-
Nigeria	138 169	-	-	-	-
Norway	407 664	96 208	31 966	-	31 966
Oman	350	-	-	-	-
Pakistan	57 934	-	-	-	-
Panama	449	-	-	-	-
Papua New Guinea	170	130	130	-	130
Paraguay	1 756	-	-	-	-

Member State	Replenishments through to IFAD12	IFAD13			
		Instruments deposited	Payments		
			Cash	Promissory notes	Total
Peru	2 745	375	375	-	375
Philippines	3 578	1 000	333	-	333
Poland	-	1 000	1 000	-	1 000
Portugal	6 067	-	-	-	-
Qatar	39 980	4 000	2 000	-	2 000
Romania	350	-	-	-	-
Russian Federation	21 000	-	-	-	-
Rwanda	521	300	300	-	300
Saint Kitts and Nevis	20	-	-	-	-
Saint Lucia	22	-	-	-	-
Samoa	110	20	20	-	20
Sao Tome and Principe	31	-	-	-	-
Saudi Arabia	506 378	-	-	-	-
Senegal	997	-	-	-	-
Seychelles	200	-	-	-	-
Sierra Leone	197	150	150	-	150
Solomon Islands	10	-	-	-	-
Somalia	20	15	15	-	15
South Africa	2 413	-	-	-	-
South Sudan	10	-	-	-	-
Spain	107 818	12 380	12 380	-	12 380
Sri Lanka	11 990	-	-	-	-
Sudan	1 860	-	-	-	-
Sweden	484 963	63 367	18 872	44 495	63 367
Switzerland	311 177	60 462	18 809	-	18 809
Syrian Arab Republic	1 817	-	-	-	-
Tajikistan	9	10	10	-	10
United Republic of Tanzania	926	200	200	-	200
Thailand	2 400	300	300	-	300
Togo	267	-	-	-	-
Tonga	105	50	50	-	50
Tunisia	7 778	1 250	-	-	-
Türkiye	33 636	-	-	-	-
Uganda	1 222	-	-	-	-
United Arab Emirates	63 180	3 000	1 000	-	1 000
United Kingdom	562 658	-	-	-	-
United States	1 193 174	-	-	-	-
Uruguay	1 125	-	-	-	-
Uzbekistan	105	200	200	-	200
Venezuela (Bolivarian Republic of)	196 258	-	-	-	-
Viet Nam	4 503	900	300	-	300
Yemen	4 348	-	-	-	-
Yugoslavia	108	-	-	-	-
Zambia	1 294	1 000	1 000	-	1 000
Zimbabwe	3 003	200	200	-	200
Total contributions 31 December 2025	10 305 053	1 269 703	475 093	114 816	589 909
For 2024	10 304 427	884 430	99 902	19 359	119 261

^a Amounts are expressed in thousands of United States dollars, thus payments received of less than US\$500 are not shown in the appendix.

^b Australia's withdrawal from membership of IFAD became effective on 31 July 2007.

^c Note 7 provides details on allowances for contributions impairment.

Table 3
SPA: Statement of contributions
(As at 31 December 2025)

Donor	Currency	First phase		Second phase		Total
		Instruments deposited		Instruments deposited		
		Amount	Thousands of US\$ equivalent	Amount	Thousands of US\$ equivalent	
Australia	AUD	500	389	-	-	389
Belgium	EUR	31 235	34 975	11 155	12 263	47 238
Denmark	DKK	120 000	18 673	-	-	18 673
Djibouti	US\$	1	1	-	-	1
European Union	EUR	15 000	17 619	-	-	17 619
Finland	EUR	9 960	12 205	-	-	12 205
France	EUR	32 014	37 690	3 811	4 008	41 698
Germany	EUR	14 827	17 360	-	-	17 360
Greece	US\$	37	37	40	40	77
Guinea	US\$	25	25	-	-	25
Ireland	EUR	380	418	253	289	707
Italy	EUR	15 493	23 254	5 132	6 785	30 039
Italy	US\$	10 000	10 000	-	-	10 000
Japan	JPY	2 553 450	21 474	-	-	21 474
Kuwait	US\$	-	-	15 000	15 000	15 000
Luxembourg	EUR	247	266	-	-	266
Mauritania	US\$	25	25	-	-	25
Netherlands (Kingdom of the)	EUR	15 882	16 174	8 848	9 533	25 707
New Zealand	NZD	500	252	-	-	252
Niger	EUR	15	18	-	-	18
Nigeria	US\$	-	-	250	250	250
Norway	NOK	138 000	19 759	-	-	19 759
Spain	US\$	1 000	1 000	-	-	1 000
Sweden	SEK	131 700	19 055	25 000	4 196	23 251
Switzerland	CHF	25 000	17 049	-	-	17 049
United Kingdom	GBP	7 000	11 150	-	-	11 150
United States	US\$	10 000	10 000	10 000	10 000	20 000
31 December 2025			288 868		62 364	351 232
31 December 2024			288 868		62 364	351 232

Table 4
Statement of Member States' contributions received in 2025
 As at 31 December 2025
 (Thousands of United States dollars)

Member State	Instruments deposited ^{a,b}	Promissory note deposit ^b	Payments	
			Cash	Promissory note encashment
IFAD01				
Iraq			2 500	
Total IFAD01			2 500	
IFAD11				
Mozambique			85	
Total IFAD11			85	
IFAD12				
Haiti			44	
Japan			-	10 095
Mozambique			100	
Viet Nam			400	
Total IFAD12			544	10 095
IFAD13				
Algeria			250	
Argentina	2 500		833	
Armenia			5	
Austria			6 495	
Bangladesh			667	
Belgium			2 446	
Bhutan			10	
Botswana			45	
Brazil			5 719	
Burkina Faso			250	
Canada	109 539		26 888	
Chad			100	
China			28 672	
Costa Rica			52	
Denmark			11 565	
Dominican Republic			73	
Eswatini			40	
Ethiopia	100		35	
Finland	18 928		20 232	
France			50 000	
Georgia			30	
Germany		30 177	-	31 238
Guatemala	450		75	
Haiti			300	
India	25 000		9 000	
Indonesia			3 000	
Ireland			9 392	
Italy			35 871	
Japan		20 659	-	
Jordan			67	
Kazakhstan			5	
Kenya			1 000	
Republic of Korea			4 700	
Kuwait	45 000	45 000	-	13 500
Lesotho			200	
Luxembourg	4 881		1 627	
Madagascar			110	
Republic of Moldova			30	
Montenegro			39	
Morocco	800	800	-	800
Nepal			75	
Netherlands (Kingdom of the)			24 329	
New Zealand	2 626		1 763	
Norway	85 394		31 966	
Peru	375		375	
Philippines	1 000		333	

<i>Member State</i>	<i>Instruments deposited^{a,b}</i>	<i>Promissory note deposit^b</i>	<i>Payments</i>	
			<i>Cash</i>	<i>Promissory note encashment</i>
Qatar	4 000		2 000	
Rwanda			300	
Samoa			20	
Sierra Leone			150	
Somalia			15	
Spain			6 957	
Sweden		54 451	-	18 870
Switzerland			18 809	
Tajikistan			10	
United Arab Emirates			1 000	
Viet Nam			300	
Zambia			1 000	
Zimbabwe			200	
Total IFAD13	300 593	151 087	309 424	64 408
Grand total	300 593	151 087	312 553	74 503

^a Instruments deposited also include equivalent instruments recorded on receipt of cash or promissory note where no instrument of contribution has been received.

^b Instruments deposited and promissory note deposits received in currencies other than United States dollars are translated at the date of receipt.

Statement of loans

Table 1
Statement of outstanding Sovereign loans
(As at 31 December 2025 and 2024)
(Amounts expressed in thousands)

<i>Borrower or guarantor</i>	<i>Approved loans less cancellations</i>	<i>Disbursed portion</i>	<i>Undisbursed portion</i>	<i>Repayments</i>	<i>Outstanding loans</i>
US\$ loans					
Angola	159 102	43 533	115 569	10 391	33 142
Argentina	40 400	16 708	23 692	3 690	13 018
Bangladesh	301 903	183 068	118 835	28 260	154 808
Belize	8 000	5 020	2 980	2 133	2 887
Benin	11 080	4 770	6 310	-	4 770
Bhutan	27 129	9 394	17 735	-	9 394
Bolivia (Plurinational State of)	23 600	9 117	14 483	-	9 117
Botswana	31 520	-	31 520	-	-
Brazil	146 000	5 922	140 078	-	5 922
Burkina Faso	18 969	18 969	-	-	18 969
Burundi	12 750	4 493	8 257	-	4 493
Cabo Verde	7 433	4 524	2 909	1 853	2 671
Cambodia	210 030	124 622	85 408	-	124 622
Cameroon	1 100	1 100	-	-	1 100
Central African Republic	8 050	4 202	3 848	-	4 202
China	271 159	230 397	40 762	33 699	196 698
Colombia	50 000	-	50 000	-	-
Côte d'Ivoire	51 889	35 453	16 436	1 379	34 074
Democratic Republic of the Congo	73 340	23 228	50 112	-	23 228
Djibouti	32 695	18 243	14 452	1 010	17 233
Dominican Republic	23 987	8 937	15 050	1 113	7 824
Ecuador	44 831	8 820	36 011	81	8 739
El Salvador	31 300	-	31 300	-	-
Eswatini	22 520	9 410	13 110	1 790	7 620
Fiji	5 300	-	5 300	-	-
Gambia (The)	4 255	4 012	243	-	4 012
Ghana	99 000	41 477	57 523	190	41 287
Grenada	6 400	5 988	412	241	5 747
Guinea	36 950	25 568	11 382	-	25 568
Guinea-Bissau	13 877	10 901	2 976	-	10 901
Guyana	7 960	7 960	-	1 791	6 169
Haiti	3 500	3 500	-	3 281	219
Honduras	34 030	5 878	28 152	1 633	4 245
India	469 401	126 986	342 415	11 859	115 127
Indonesia	125 185	91 524	33 661	7 113	84 411
Iraq	15 730	4 500	11 230	1 600	2 900
Jordan	8 400	8 282	118	2 520	5 762
Kenya	166 800	36 890	129 910	-	36 890
Lao People's Democratic Republic	13 235	5 477	7 758	-	5 477
Lebanon	4 900	-	4 900	-	-
Lesotho	11 802	-	11 802	-	-
Liberia	72 643	36 001	36 642	-	36 001
Madagascar	61 000	15 210	45 790	-	15 210
Malawi	51 000	32 508	18 492	-	32 508
Maldives	3 285	2 624	661	-	2 624
Mali	10 155	9 191	964	-	9 191
Mauritania	23 436	14 732	8 704	-	14 732
Mexico	45 492	32 110	13 382	3 168	28 942
Mongolia	10 327	-	10 327	-	-
Mozambique	17 000	12 834	4 166	-	12 834
Myanmar	8 984	2 750	6 234	-	2 750
Nepal	92 209	31 089	61 120	10 675	20 414
Nicaragua	20 504	19 632	872	-	19 632
Niger	80 000	7 675	72 325	-	7 675
Nigeria	357 770	106 976	250 794	7 932	99 044
Pakistan	194 100	172 848	21 252	4 563	168 285
Papua New Guinea	43 565	20 659	22 906	4 463	16 196
Paraguay	5 884	5 884	-	2 162	3 722
Peru	50 000	24 000	26 000	-	24 000
Philippines	70 519	44 612	25 907	6 819	37 793
Republic of Moldova	15 901	15 901	-	3 443	12 458
Rwanda	82 370	3 737	78 633	-	3 737
Sierra Leone	40 200	32 974	7 226	-	32 974
Solomon Islands	9 300	166	9 134	-	166
South Sudan	1 900	830	1 070	-	830

<i>Borrower or guarantor</i>	<i>Approved loans less cancellations</i>	<i>Disbursed portion</i>	<i>Undisbursed portion</i>	<i>Repayments</i>	<i>Outstanding loans</i>
Sri Lanka	108 100	68 658	39 442	21 926	46 732
Tajikistan	21 831	15 581	6 250	-	15 581
Togo	15 562	2 672	12 890	-	2 672
Tonga	900	900	-	-	900
Türkiye	7 832	7 832	-	-	7 832
Uganda	275 380	39 180	236 200	-	39 180
United Republic of Tanzania	199 218	39 170	160 048	8 895	30 275
Uzbekistan	130 200	72 045	58 155	9 240	62 805
Viet Nam	157 708	59 964	97 744	10 061	49 903
Zambia	23 379	13 657	9 722	991	12 666
Zimbabwe	72 840	8 284	64 556	-	8 284
Subtotal US\$	5 016 006	2 121 759	2 894 247	209 965	1 911 794
EUR loans^a					
Angola	10 961	10 961	-	-	10 961
Argentina	22 680	20 642	2 038	7 560	13 082
Bangladesh	71 850	71 850	-	1 188	70 662
Benin	55 815	31 465	24 350	-	31 465
Bolivia (Plurinational State of)	21 120	-	21 120	-	-
Bosnia and Herzegovina	36 707	21 145	15 562	4 492	16 653
Brazil	8 000	-	8 000	-	-
Burkina Faso	179 286	72 564	106 722	-	72 564
Cameroon	22 629	1 100	21 529	-	1 100
Chad	10 795	5 556	5 239	-	5 556
China	222 409	70 099	152 310	26 169	43 930
Comoros	5 830	5 777	53	-	5 777
Congo	12 920	2 166	10 754	-	2 166
Costa Rica	19 210	-	19 210	-	-
Côte d'Ivoire	85 170	11 339	73 831	-	11 339
Cuba	24 100	11 850	12 250	1 453	10 397
Ecuador	1 569	1 569	-	131	1 438
Egypt	219 110	71 121	147 989	30 100	41 021
El Salvador	10 850	10 492	358	2 170	8 322
Equatorial Guinea	6 045	-	6 045	-	-
Eswatini	6 832	6 832	-	3 049	3 783
Gabon	1 913	1 844	69	128	1 716
Georgia	16 000	15 731	269	3 200	12 531
Indonesia	176 496	121 704	54 792	15 196	106 508
Jordan	24 215	9 503	14 712	183	9 320
Kenya	100 351	78 273	22 078	578	77 695
Lesotho	32 890	10 487	22 403	74	10 413
Madagascar	89 050	5 027	84 023	-	5 027
Mali	72 933	30 999	41 934	-	30 999
Mauritania	5 000	3 586	1 414	-	3 586
Mexico	1 297	1 297	-	648	649
Montenegro	3 803	3 803	-	1 603	2 200
Morocco	138 675	47 398	91 277	14 306	33 092
Niger	65 270	31 409	33 861	-	31 409
Pakistan	163 527	17 791	145 736	-	17 791
Paraguay	8 383	7 888	495	2 588	5 300
Philippines	134 473	39 489	94 984	20 630	18 859
Republic of Moldova	18 939	10 725	8 214	473	10 252
Rwanda	69 410	17 138	52 272	-	17 138
Sao Tome and Principe	811	639	172	-	639
Senegal	205 218	88 659	116 559	-	88 659
Sudan	11 300	2 475	8 825	-	2 475
Togo	15 780	5 618	10 162	-	5 618
Tunisia	69 725	31 325	38 400	8 044	23 281
Türkiye	164 254	56 820	107 434	6 349	50 471
Subtotal EUR	2 643 601	1 066 156	1 577 445	150 312	915 844
US\$ equivalent	3 104 778	1 252 147	1 852 630	176 534	1 075 613
SDR loans^a					
Albania	34 462	34 462	-	19 916	14 546
Angola	24 240	24 240	-	10 912	13 328
Argentina	3 831	3 831	-	2 938	893
Armenia	60 941	60 941	-	27 586	33 355
Azerbaijan	43 931	43 931	-	18 566	25 365
Bangladesh	505 641	446 963	58 678	178 842	268 121
Belize	1 847	1 847	-	1 732	115
Benin	94 086	93 295	791	45 653	47 642
Bhutan	38 492	38 491	1	17 566	20 925
Bolivia (Plurinational State of)	72 492	72 490	2	37 601	34 889
Bosnia and Herzegovina	45 686	45 686	-	23 959	21 727
Botswana	842	842	-	708	134

<i>Borrower or guarantor</i>	<i>Approved loans less cancellations</i>	<i>Disbursed portion</i>	<i>Undisbursed portion</i>	<i>Repayments</i>	<i>Outstanding loans</i>
Brazil	91 022	91 022	-	54 029	36 993
Burkina Faso	83 838	83 838	-	39 555	44 283
Burundi	40 859	40 859	-	25 161	15 698
Cabo Verde	24 691	24 405	286	8 188	16 217
Cambodia	74 760	62 360	12 400	15 839	46 521
Cameroon	118 884	109 905	8 979	22 562	87 343
Central African Republic	26 215	26 215	-	16 553	9 662
Chad	18 138	18 138	-	6 803	11 335
China	515 741	515 741	-	309 417	206 324
Colombia	32 013	32 013	-	22 829	9 184
Comoros	5 292	5 291	1	2 868	2 423
Congo	21 957	21 957	-	5 676	16 281
Côte d'Ivoire	21 117	21 117	-	9 706	11 411
Cuba	6 840	6 840	-	2 740	4 100
Democratic People's Republic of Korea	50 496	50 496	-	10 539	39 957
Democratic Republic of the Congo	50 370	50 369	1	22 680	27 689
Djibouti	7 146	7 146	-	2 654	4 492
Dominica	1 146	1 146	-	1 006	140
Dominican Republic	17 902	17 902	-	12 411	5 491
Ecuador	25 487	25 487	-	15 349	10 138
Egypt	176 172	176 172	-	116 764	59 408
El Salvador	45 265	45 265	-	30 640	14 625
Equatorial Guinea	2 102	2 102	-	2 011	91
Eritrea	29 142	26 029	3 113	11 702	14 327
Eswatini	3 473	3 473	-	2 814	659
Ethiopia	416 436	416 415	21	91 911	324 504
Gabon	3 529	3 529	-	3 322	207
Gambia (The)	34 187	34 187	-	17 350	16 837
Georgia	30 370	30 370	-	13 789	16 581
Ghana	181 820	181 818	2	60 613	121 205
Grenada	1 632	1 632	-	1 231	401
Guatemala	7 398	7 398	-	7 365	33
Guinea	64 160	64 160	-	39 130	25 030
Guinea-Bissau	8 487	8 487	-	4 284	4 203
Guyana	8 522	8 522	-	4 736	3 786
Haiti	58 463	58 463	-	34 839	23 624
Honduras	85 463	85 463	-	43 181	42 282
India	589 663	588 622	1 041	293 588	295 034
Indonesia ^b	155 017	155 017	-	79 370	75 647
Jordan	7 314	7 309	5	3 421	3 888
Kenya	173 090	173 090	-	41 339	131 751
Kyrgyzstan	42 352	26 997	15 355	5 507	21 490
Lao People's Democratic Republic	77 625	65 422	12 203	27 165	38 257
Lebanon	2 406	2 406	-	1 795	611
Lesotho	30 124	30 124	-	13 738	16 386
Liberia	27 057	27 057	-	4 472	22 585
Madagascar ^b	197 033	195 131	1 902	55 445	139 686
Malawi ^b	168 624	147 474	21 150	44 899	102 575
Maldives	10 793	10 793	-	5 646	5 147
Mali	137 934	137 869	65	54 197	83 672
Mauritania	49 545	49 545	-	24 748	24 797
Mauritius	1 205	1 205	-	1 162	43
Mexico	13 827	13 827	-	7 223	6 604
Mongolia	27 169	27 105	63	8 750	18 355
Morocco	43 513	43 513	-	32 924	10 589
Mozambique	143 311	143 311	-	59 558	83 753
Myanmar	51 656	14 754	36 902	-	14 754
Nepal	160 572	101 441	59 131	50 115	51 326
Nicaragua	49 474	49 474	-	20 830	28 644
Niger	90 916	89 847	1 069	22 007	67 840
Nigeria	206 539	206 517	23	50 532	155 985
North Macedonia	11 721	11 721	-	6 695	5 026
Pakistan	324 733	307 166	17 567	118 789	188 377
Papua New Guinea	23 186	23 186	-	6 303	16 883
Paraguay	16 298	16 298	-	7 996	8 302
Peru	45 207	45 207	-	22 339	22 868
Philippines	80 478	80 478	-	41 577	38 901
Republic of Moldova	55 612	55 612	-	14 926	40 686
Rwanda ^b	194 097	187 419	6 678	48 839	138 580
Samoa	1 908	1 908	-	1 341	567
Sao Tome and Principe	13 747	13 747	-	7 910	5 837
Senegal	109 317	109 317	-	38 112	71 205
Seychelles	1 875	1 875	-	1 443	432

<i>Borrower or guarantor</i>	<i>Approved loans less cancellations</i>	<i>Disbursed portion</i>	<i>Undisbursed portion</i>	<i>Repayments</i>	<i>Outstanding loans</i>
Sierra Leone	45 736	45 736	-	22 132	23 604
Solomon Islands	4 069	4 069	-	1 930	2 139
Somalia ^b	13 250	13 250	-	12 013	1 237
Sri Lanka	156 845	156 845	-	68 022	88 823
Sudan	128 641	128 641	-	64 515	64 126
Syrian Arab Republic	15 220	14 059	1 161	7 432	6 627
Tajikistan	6 200	6 200	-	-	6 200
Togo	22 212	22 212	-	13 135	9 077
Tonga	5 927	5 909	18	3 157	2 752
Tunisia	22 373	22 373	-	11 478	10 895
Türkiye	29 371	29 371	-	20 639	8 732
Uganda	322 096	281 938	40 158	90 066	191 872
United Republic of Tanzania	225 249	225 249	-	80 849	144 400
Uruguay	2 081	2 081	-	1 107	974
Uzbekistan	21 163	21 163	-	5 307	15 856
Venezuela (Bolivarian Republic of)	10 450	10 450	-	8 846	1 604
Viet Nam	216 206	216 206	-	64 380	151 826
Yemen	138 389	138 389	-	48 917	89 472
Zambia	128 820	128 820	-	52 437	76 383
Zimbabwe	8 818	8 818	-	5 481	3 337
Subtotal SDR	8 175 080	7 876 314	298 766	3 284 770	4 591 544
IFAD Fund for Gaza and the West Bank ^c	2 513	2 513	-	1 513	1 000
Total SDR	8 177 593	7 878 827	298 766	3 286 283	4 592 544
US\$ equivalent	11 196 814	10 787 742	409 072	4 499 600	6 288 141
Total outstanding loans as at 31 December 2025 US\$	19 317 597	14 161 647	5 155 950	4 886 100	9 275 547
Other receivables					37 358
Total loan receivables as at 31 December 2025 US\$					9 312 904
Total outstanding loans as at 31 December 2024 US\$	17 661 523	12 786 557	4 874 966	4 248 133	8 538 424
Other receivables					36 800
Total loan receivables as at 31 December 2024 US\$					8 575 224

^a Loans in SDR and, for the purpose of presentation in the balance sheet, the accumulated amount of loans denominated in SDR has been valued at the US\$/SDR rate of 1.3692 as at 31 December 2025. Loans denominated in EUR have been valued at the US\$/EUR rate of 0.851 as at 31 December 2025.

^b Repayment amounts include participation by Belgium, Germany, Italy, the Kingdom of the Netherlands, Norway and Sweden in specific loans to these countries, resulting in partial early repayment and a corresponding increase in committable resources.

^c The amount of the loan to the IFAD Fund for Gaza and the West Bank is included in the above balance. See note 2(g)(ii).

Table 2
Summary of loans approved at nominal value by year
(As at 31 December 2025)

Year	Approved loans in thousands of Denomination Currency				Value in thousands of US\$				
	As at 1 January 2025	Effective/ (Reductions/ Cancellations) 2025	Loans fully repaid	As at 31 December 2025	As at 1 January 2025	Effective/ (Reductions/ Cancellations) 2025	Loans fully repaid	Exchange rate movement SDR/US\$	As at 31 December 2025
1978	US\$ 68 530	-	-	68 530	68 530	-	-	-	68 530
2016	US\$ 162 269	(2 435)	-	159 834	162 269	(2 435)	-	-	159 834
2017	US\$ 597 043	(9 624)	-	587 419	597 043	(9 624)	-	-	587 419
2018	US\$ 653 189	(21 602)	-	631 587	653 189	(21 602)	-	-	631 587
2019	US\$ 384 410	(114)	-	384 296	384 410	(114)	-	-	384 296
2020	US\$ 393 971	-	-	393 971	393 971	-	-	-	393 971
2021	US\$ 416 738	(38 321)	-	378 417	416 738	(38 321)	-	-	378 417
2022	US\$ 663 399	(5)	-	663 394	663 399	(5)	-	-	663 394
2023	US\$ 91 726	-	-	91 726	91 726	-	-	-	91 726
2024	US\$ 1 084 582	-	-	1 084 582	1 084 582	-	-	-	1 084 582
2025	US\$ -	582 250	-	582 250	-	582 250	-	-	582 250
1979	SDR 201 485	-	-	201 485	262 298	-	-	13 576	275 874
1980	SDR 176 647	-	-	176 647	229 965	-	-	11 902	241 867
1981	SDR 182 246	-	-	182 246	237 254	-	-	12 279	249 533
1982	SDR 103 109	-	-	103 109	134 231	-	-	6 947	141 178
1983	SDR 132 091	-	-	132 091	171 959	-	-	8 900	180 859
1984	SDR 128 257	-	-	128 257	166 969	-	-	8 642	175 611
1985	SDR 59 522	-	(1 650)	57 872	77 487	-	(2 148)	3 899	79 238
1986	SDR 23 663	-	-	23 663	30 805	-	-	1 594	32 399
1987	SDR 60 074	-	-	60 074	78 207	-	-	4 047	82 254
1988	SDR 52 100	-	-	52 100	67 826	-	-	3 510	71 336
1989	SDR 86 206	-	-	86 206	112 225	-	-	5 808	118 033
1990	SDR 40 064	-	(2 042)	38 022	52 156	-	(2 657)	2 562	52 061
1991	SDR 98 025	-	-	98 025	127 612	-	-	6 605	134 217
1992	SDR 79 888	-	-	79 888	104 000	-	-	5 383	109 383
1993	SDR 122 240	-	-	122 240	159 136	-	-	8 236	167 372
1994	SDR 122 598	-	-	122 598	159 601	-	-	8 260	167 861
1995	SDR 149 100	-	-	149 100	194 102	-	-	10 046	204 148
1996	SDR 178 369	-	-	178 369	232 206	-	-	12 018	244 224
1997	SDR 219 073	-	-	219 073	285 196	-	-	14 760	299 956
1998	SDR 203 208	-	-	203 208	264 542	-	-	13 692	278 234
1999	SDR 240 196	-	-	240 196	312 696	-	-	16 184	328 880
2000	SDR 237 216	-	-	237 216	308 815	-	-	15 983	324 798
2001	SDR 234 079	-	-	234 079	304 731	-	-	15 772	320 503
2002	SDR 190 303	-	-	190 303	247 741	-	-	12 822	260 563
2003	SDR 208 536	-	-	208 536	271 478	-	-	14 051	285 529
2004	SDR 234 225	-	(15 070)	219 155	304 921	-	(19 619)	14 766	300 068
2005	SDR 278 369	-	-	278 369	362 389	-	-	18 755	381 144
2006	SDR 263 200	-	-	263 200	342 641	-	-	17 734	360 375
2007	SDR 254 994	-	-	254 994	331 959	-	-	17 181	349 140
2008	SDR 250 829	-	-	250 829	326 536	-	-	16 900	343 436
2009	SDR 253 915	-	-	253 915	330 554	-	-	17 108	347 662
2010	SDR 390 931	(215)	-	390 716	508 925	(279)	-	26 325	534 971
2011	SDR 443 360	(61)	-	443 299	577 179	(80)	-	29 868	606 967
2012	SDR 374 853	(2 866)	-	371 987	487 994	(3 731)	-	25 064	509 327
2013	SDR 316 347	(2 751)	-	313 596	411 830	(3 581)	-	21 129	429 378
2014	SDR 301 431	(9 525)	-	291 906	392 411	(12 400)	-	19 668	399 679
2015	SDR 415 496	(2 848)	-	412 648	540 904	(3 708)	-	27 804	565 000
2016	SDR 172 544	(665)	-	171 879	224 623	(866)	-	11 581	235 338
2017	SDR 204 729	(370)	-	204 359	266 522	(482)	-	13 770	279 810
2018	SDR 26 088	-	-	26 088	33 962	-	-	1 757	35 719
2019	SDR 244 788	(4)	-	244 784	318 672	(5)	-	16 493	335 160
2020	SDR 61 907	(1)	-	61 906	80 592	(1)	-	4 171	84 762
2021	SDR 15 300	-	-	15 300	19 918	-	-	1 031	20 949
2022	SDR 21 050	-	-	21 050	27 404	-	-	1 418	28 822
2023	SDR 31 949	-	-	31 949	41 593	-	-	2 153	43 746
2024	SDR 53 400	-	-	53 400	69 518	-	-	3 598	73 116
2025	SDR -	77 661	-	77 661	-	106 334	-	-	106 334
2014	EUR 82 055	-	-	82 055	84 968	-	-	11 401	96 369
2015	EUR 178 753	(7 273)	-	171 480	185 099	(7 531)	-	23 827	201 395
2016	EUR 95 790	-	-	95 790	99 190	-	-	13 311	112 501
2017	EUR 92 153	-	-	92 153	95 424	-	-	12 805	108 229
2018	EUR 106 221	-	-	106 221	109 992	-	-	14 759	124 751
2019	EUR 483 632	-	-	483 632	500 801	-	-	67 200	568 001
2020	EUR 152 306	(159)	-	152 147	157 713	(165)	-	21 141	178 689
2021	EUR 179 061	-	-	179 061	185 418	-	-	24 880	210 298
2022	EUR 216 632	(47 636)	-	168 996	224 323	(49 327)	-	23 481	198 477
2023	EUR 196 274	-	-	196 274	203 241	-	-	27 274	230 515
2024	EUR 681 035	-	-	681 035	705 212	-	-	94 630	799 842
2025	EUR -	234 757	-	234 757	-	275 711	-	-	275 711
Total US\$	4 515 857	510 149	-	5 026 006	4 515 857	510 149	-	-	5 026 006
Total SDR	8 138 000	58 355	(18 762)	8 177 593	10 594 285	81 201	(24 424)	545 752	11 196 814
Total EUR	2 463 912	179 689	-	2 643 601	2 551 381	218 688	-	334 708	3 104 778
Totals*					17 661 523	810 038	(24 424)	880 460	19 327 597

* These totals comprise US\$10.0 million pertaining to IFAD non-sovereign loans, which have not yet met disbursement conditions.

Table 3
Maturity structure of outstanding loans by period at nominal value
(As at 31 December 2025 and 2024)
(Thousands of United States dollars)

<i>Period due</i>	<i>2025</i>	<i>2024</i>
Less than 1 year	629 896	550 157
1-2 years	525 299	469 483
2-3 years	556 906	502 582
3-4 years	555 406	523 214
4-5 years	556 205	509 040
5-10 years	2 459 443	2 296 223
10-15 years	1 770 651	1 588 710
15-20 years	1 126 010	1 045 214
20-25 years	694 512	674 083
More than 25 years	401 220	379 718
Total	9 275 548	8 538 424

Table 4
Summary of outstanding loans by lending type at nominal value
(As at 31 December 2025 and 2024)
(Thousands of United States dollars)

<i>Lending type</i>	<i>2025</i>	<i>2024</i>
Super highly concessional terms	74 700	26 390
Highly concessional terms	6 814 081	6 432 506
Hardened terms	22 486	25 199
Intermediate terms	102 759	116 381
Ordinary terms	1 347 828	1 167 259
Blended terms	913 694	770 689
Total	9 275 548	8 538 424

Table 5
Disbursement structure of undisbursed loans at nominal value
(Projected as at 31 December 2025 and 2024)
(Thousands of United States dollars)

<i>Disbursements in:</i>	<i>2025</i>	<i>2024</i>
Less than 1 year	821 927	906 433
1-3 years	1 974 540	1 790 122
3-5 years	1 372 800	1 256 516
5-10 years	996 683	921 895
Total*	5 165 950	4 874 966

* The 2025 total comprises US\$10.0 million pertaining to IFAD non-sovereign loans, which have not yet met disbursement conditions.

Special Programme for sub-Saharan African Countries Affected by Drought and Desertification (SPA)

Table 1
Statement of loans at nominal value
(As at 31 December 2025 and 2024)

<i>Borrower or guarantor</i>	<i>Approved loans less cancellations</i>	<i>Disbursed portion</i>	<i>Undisbursed portion</i>	<i>Repayments</i>	<i>Outstanding loans</i>
SDR loans (thousands)					
Angola	2 714	2 714	-	1 804	910
Burkina Faso	10 546	10 546	-	7 382	3 164
Burundi	4 494	4 494	-	2 482	2 013
Cabo Verde	2 183	2 183	-	1 383	800
Chad	9 617	9 617	-	6 240	3 377
Comoros	2 289	2 289	-	1 603	686
Djibouti	114	114	-	74	40
Ethiopia	6 660	6 660	-	4 584	2 077
Gambia (The)	2 638	2 638	-	1 715	923
Ghana	22 321	22 321	-	14 034	8 287
Guinea	10 762	10 762	-	7 264	3 498
Guinea-Bissau	2 126	2 126	-	1 542	585
Kenya	12 241	12 241	-	7 308	4 933
Lesotho	7 481	7 481	-	4 765	2 716
Madagascar	1 098	1 098	-	750	348
Malawi	5 777	5 777	-	3 178	2 599
Mali	10 193	10 193	-	7 063	3 131
Mauritania	19 020	19 020	-	13 063	5 957
Mozambique	8 291	8 291	-	5 804	2 487
Niger	11 119	11 119	-	7 598	3 521
Senegal	23 234	23 234	-	14 883	8 351
Sierra Leone	1 505	1 505	-	866	640
Sudan	26 012	26 012	-	14 805	11 207
Uganda	8 124	8 124	-	5 687	2 437
United Republic of Tanzania	6 789	6 789	-	4 413	2 376
Zambia	8 607	8 607	-	5 974	2 632
Total	225 958	225 958	-	146 263	79 695
Total outstanding loans as at 31 December 2025 - US\$ equivalent	309 383	309 383	-	200 264	109 119
Other receivables					333
Total loan receivables as at 31 December 2025 US\$					109 452
Total outstanding loans as at 31 December 2024 US\$	294 158	294 158	-	183 885	110 273
Other receivables					672
Total loan receivables as at 31 December 2024 US\$					110 945

Table 2
Summary of loans by year approved at nominal value
(As at 31 December 2025)

Year		Approved loans in thousands of SDR			Value in thousands of US\$			
		As at 1 January 2025	Loans cancelled	As at 31 December 2025	As at 1 January 2025	Loans cancelled	Exchange rate movement SDR/US\$	As at 31 December 2025
1986	SDR	24 902	-	24 902	32 418	-	1 678	34 096
1987	SDR	41 292	-	41 292	53 755	-	2 782	56 537
1988	SDR	34 770	-	34 770	45 265	-	2 342	47 607
1989	SDR	25 756	-	25 756	33 530	-	1 735	35 265
1990	SDR	17 370	-	17 370	22 612	-	1 171	23 783
1991	SDR	18 246	-	18 246	23 753	-	1 230	24 983
1992	SDR	6 952	-	6 952	9 050	-	469	9 519
1993	SDR	34 268	-	34 268	44 611	-	2 309	46 920
1994	SDR	16 320	-	16 320	21 246	-	1 099	22 345
1995	SDR	6 082	-	6 082	7 917	-	411	8 328
Total	SDR	225 958	-	225 958	294 157	-	15 226	309 383

Table 3
Maturity structure of outstanding loans by period
(As at 31 December 2025 and 2024)
(Thousands of United States dollars)

Period due	2025	2024
Less than 1 year	11 193	9 604
1-2 years	7 954	7 563
2-3 years	7 954	7 563
3-4 years	7 954	7 563
4-5 years	7 954	7 563
5-10 years	38 698	37 526
10-15 years	23 128	26 345
15-20 years	4 284	6 546
20-25 years	-	-
Total	109 119	110 273

Table 4
Summary of outstanding loans by lending type
(As at 31 December 2025 and 2024)
(Thousands of United States dollars)

Lending type	2025	2024
Highly concessional terms	109 119	110 273
Total	109 119	110 273

Summary of IFAD and SPA loan balances

IFAD sovereign loans	US\$ thousands	
	2025	2024
Approved loans	19 317 597	17 661 523
Undisbursed balance	(5 155 950)	(4 874 966)
Repayments	(4 886 100)	(4 248 133)
	9 275 547	8 538 424
Interest/principal receivable	37 358	36 800
Loans outstanding	9 312 905	8 575 224

IFAD non-sovereign loans	US\$ thousands	
	2025	2024
Approved loans	10 000	-
Undisbursed balance	(10 000)	-
Loans outstanding	-	-

SPA	US\$ thousands	
	2025	2024
Approved loans	309 383	294 158
Undisbursed balance	-	-
Repayments	(200 264)	(183 885)
	109 119	110 273
Interest/principal receivable	333	672
Loans outstanding	109 452	110 945

IFAD and SPA Sovereign and NSO	US\$ thousands	
	2025	2024
Approved loans	19 636 980	17 955 681
Undisbursed balance	(5 165 950)	(4 874 966)
Repayments	(5 086 364)	(4 432 018)
	9 384 666	8 648 697
Interest/principal receivable	37 691	37 472
Loans outstanding	9 422 357	8 686 169

Statement of grants

(Thousands of United States dollars)

	<i>Undisbursed as at 1 January 2025</i>	<i>2025 movements</i>				<i>Exchange rate</i>	<i>Undisbursed as at 31 December 2025</i>
		<i>Disbursable</i>	<i>Disbursements</i>	<i>Cancellations</i>			
Grants 2025	37 913	16 996	(15 115)	(6 305)	1 272	34 762	
Grants 2024	49 039	12 069	(21 673)	(839)	(683)	37 913	

Grants to countries in debt distress

(Thousands of United States dollars)

<i>Borrower or guarantor</i>	<i>Undisbursed as at 1 January 2025</i>	<i>Effective/ (cancellations) 2025</i>	<i>Disbursements 2025</i>	<i>Undisbursed as at 31 December 2025</i>
Projects denominated in EUR				
Benin	6 211	-	(2 041)	4 170
Chad	25 857	33 690	(3 330)	56 217
Comoros	805	9 310	(1 398)	8 717
Madagascar	1 360	-	728	2 088
Mali	4 018	-	(1 103)	2 915
Niger	17 267	-	(3 638)	13 629
Sao Tome and Principe	3 320	500	(2 687)	1 133
Sudan	41 344	(6 045)	(618)	34 681
Togo	4 712	-	(2 858)	1 854
Subtotal EUR	104 894	37 455	(16 945)	125 404
Subtotal EUR in US\$ equivalent	123 195	43 990	(19 903)	147 282
Projects denominated in US\$				
Afghanistan	32 211	-	-	32 211
Bhutan	517	-	(517)	-
Burkina Faso	2	(4)	2	-
Burundi	61 090	(9)	(9 272)	51 809
Central African Republic	28 425	-	-	28 425
Democratic Republic of the Congo	5 560	-	-	5 560
Eritrea	-	15 396	(348)	15 048
Ethiopia	69 616	69 243	(16 537)	122 322
Gambia (The)	11 930	18 910	(20 752)	10 088
Guinea	8 594	-	(4 366)	4 228
Guinea-Bissau	8 546	(9)	(4 300)	4 237
Haiti	11 118	23 672	(3 879)	30 911
Kiribati	10	(10)	-	-
Liberia	5 380	-	(2 144)	3 236
Madagascar	19 072	-	(979)	18 093
Malawi	16 246	-	(5 623)	10 623
Maldives	239	-	(234)	5
Mauritania	150	-	-	150
Mozambique	91 736	(11 000)	(30 712)	50 024
Samoa	2 471	-	(1 200)	1 271
Sierra Leone	14 859	30 000	(6 665)	38 194
Somalia	10 021	-	(668)	9 353
South Sudan	3 749	-	(352)	3 397
Tajikistan	27 197	(378)	(5 668)	21 151
Tonga	1 338	-	(1 209)	129
Subtotal US\$	430 077	145 811	(115 423)	460 465
Projects denominated in SDR				
Afghanistan	24 097	(24 097)	-	-
Burkina Faso	15	(15)	-	-
Burundi	7 259	-	(4 675)	2 584
Comoros	1	-	-	1
Democratic Republic of the Congo	1 334	(182)	(1 146)	6
Eritrea	13 266	-	(3 654)	9 612
Ethiopia	5 632	-	-	5 632
Kiribati	10	(10)	-	-
Kyrgyzstan	1 939	(2 177)	238	-
Madagascar	522	(35)	10	497
Malawi	10 508	(169)	(2 385)	7 954
Mali	24	-	-	24
Mauritania	2 574	-	(528)	2 046
Nepal	1	-	1	2
Niger	1 512	-	(415)	1 097
Sudan	58	(58)	-	-
Togo	2 371	(2 371)	-	-
Tonga	95	-	(77)	18
Yemen	24 279	-	-	24 279
Zimbabwe	4	-	-	4
Subtotal SDR	95 501	(29 114)	(12 631)	53 756
Subtotal SDR in US\$ equivalent	130 763	(39 866)	(17 294)	73 603
2025 total projects - US\$ equivalent	684 035	149 935	(152 620)	681 350
Exchange difference			1 254	
Total 2025 disbursements			(151 366)	
2024 total projects - US\$ equivalent	681 456	152 165	(170 595)	663 026

Summary of the Heavily Indebted Poor Countries (HIPC) Initiative

As at 31 December 2025
(Thousands of United States dollars)

Completion point countries	Debt relief provided to 31 December 2025		Debt relief to be provided as approved by the Executive Board			
	Principal	Interest	To be covered by IFAD		To be covered by World Bank contribution	Total debt relief
			Principal	Interest		
Benin	4 568	1 643	-	-	-	6 211
Bolivia (Plurinational State of)	5 900	1 890	-	-	-	7 790
Burundi	15 491	3 251	-	-	-	18 742
Burkina Faso	6 769	2 668	-	-	-	9 437
Cameroon	3 074	727	-	-	-	3 801
Central African Republic	9 563	2 935	-	-	-	12 498
Chad	2 708	477	-	-	-	3 185
Comoros	2 429	372	24	2	27	2 854
Congo	-	99	-	-	-	99
Democratic Republic of the Congo	12 550	3 235	843	40	532	17 200
Côte d'Ivoire	1 814	326	-	-	-	2 140
Ethiopia	20 569	5 905	-	-	-	26 474
Gambia (The)	2 508	619	-	-	-	3 127
Ghana	15 585	5 003	-	-	-	20 588
Guinea	11 202	2 167	-	-	-	13 369
Guinea-Bissau	4 959	1 243	434	21	189	6 846
Guyana	1 526	299	-	-	-	1 825
Haiti	1 946	635	-	-	-	2 581
Honduras	1 077	767	-	-	-	1 844
Liberia	9 437	6 289	30	2	27	15 785
Madagascar	7 810	2 096	-	-	-	9 906
Malawi	20 371	4 445	-	-	-	24 816
Mali	6 211	2 431	-	-	-	8 642
Mauritania	8 484	2 601	-	-	-	11 085
Mozambique	12 521	3 905	-	-	-	16 426
Nicaragua	7 259	943	-	-	-	8 202
Niger	11 016	2 813	-	-	-	13 829
Rwanda	16 786	5 210	-	-	-	21 996
Sao Tome and Principe	2 692	601	28	4	22	3 347
Senegal	2 247	882	-	-	-	3 129
Sierra Leone	10 956	2 352	-	-	-	13 308
Somalia ^a	13 086	740	-	-	-	13 826
United Republic of Tanzania	12 691	4 293	-	-	-	16 984
Togo	2 008	759	-	-	-	2 767
Uganda	12 449	4 655	-	-	-	17 104
Zambia	19 169	4 920	-	-	-	24 089
Decision Point Countries						
Sudan	0	0	66 072	6 288	0	72 360
SDR	299 431	84 196	67 431	6 357	797	458 212
Total US\$ equivalent	409 983	115 282	92 327	8 704	1 091	627 387
As at 31 December 2024						
SDR	298 348	84 107	67 785	6 389	1 091	457 720
Total US\$ equivalent	388 398	109 493	88 244	8 318	1 421	595 978

^a Somalia reached completion point in December 2023, measures were fully operationalized during fiscal year 2024.

Summary of contributions to the Haiti Debt Relief Initiative

(As at 31 December 2025 and 2024)

	<i>Thousands of US\$</i>	<i>Thousands of SDR</i>
2025		
Member State contribution		
Austria	685	438
Belgium	776	509
Canada	3 500	2 303
Denmark	513	339
France	1 700	1 080
Germany	2 308	1 480
Japan	2 788	1 743
Luxembourg	280	178
Mauritius	5	3
Norway	1 626	1 066
Sweden	1 718	1 115
Switzerland	962	637
United Kingdom	2 700	1 717
United States	8 000	5 217
Subtotal	27 561	17 825
Interest earned	1 572	
Debt relief provided	(29 133)	
Total administrative account Member States 2024	-	
IFAD		
IFAD contribution	15 200	
Interest earned	2 872	
Debt relief provided	(3 879)	
Total administrative account IFAD	14 192	
Grand total	14 192	
Exchange rate movement	(7 057)	
Total cash and investments 2025	7 135	
2024		
Total cash and investments	9 587	

IFAD-only analysis of operating expenses

(For the years ended 31 December 2025 and 2024)

An analysis of IFAD operating expenses by principal sources of funding

(Thousands of United States dollars)

<i>Expense</i>	<i>Administrative expenses^a</i>	<i>Service Charges^b</i>	<i>IFAD's Climate Facility</i>	<i>Other sources^c</i>	<i>Total</i>
Staff salaries and benefits	128 358	7 068	643	114	136 183
Office and general expenses	32 866	1 354	9	1 718	35 947
Consultants and other non-staff costs	43 407	4 547	111	1 617	49 682
Direct bank and investment costs				6 540	6 540
Total 2025	204 631	12 969	763	9 989	228 352
Total 2024	188 309	10 305	1 428	6 634	206 676

^a These refer to IFAD's regular budget, the budget of the Independent Office of Evaluation of IFAD, carry-forward and ASMCS costs.^b Includes positions funded from service charges.^c Includes direct charges against investment income; Targeted Investment in IFAD's Capacity budget; Government of Italy reimbursable expenses due to the implementation of IFRS 16 headquarter reimbursable expenditures are disclosed as a reduction in lease liabilities.

Rural Poor Stimulus Facility (RPSF)

Table 1
(Thousands of United States dollars)

<i>Member State</i>	<i>Local currency</i>	<i>Contribution denomination currency</i>	<i>Contribution received US\$ equivalent</i>
Canada	CAD	6 000	4 538
Germany	EUR	27 394	33 025
Netherlands (Kingdom of the)	EUR	6 000	7 077
Sweden	SEK	50 000	5 734
Switzerland	CHF	2 000	2 261
Total			52 635
IFAD			40 000
Total as at 31 December 2025			92 635
Total as at 31 December 2024			92 635

Table 2
Summary of grants under the RPSF
(Thousands of United States dollars)

<i>Country location/beneficiary</i>	<i>Approved grants less cancellations^a</i>	<i>Disbursements</i>	<i>Undisbursed grants</i>
Afghanistan	1 884	1 884	-
Agricord	401	401	-
Agriterra	2 300	2 300	-
Angola	1 363	1 363	-
Bangladesh	2 007	2 007	-
Benin	956	956	-
Burkina Faso	1 911	1 911	-
Burundi	1 530	1 530	-
Cambodia	1 172	1 172	-
Cameroon	1 359	1 359	-
Central African Republic	1 304	1 304	-
Chad	1 685	1 685	-
Comoros	325	325	-
Congo	961	961	-
Côte d'Ivoire	1 160	1 160	-
Democratic Republic of the Congo	2 696	2 696	-
Djibouti	414	414	-
Eritrea	185	185	-
Eswatini	658	658	-
Ethiopia	2 240	2 240	-
Gabon	425	425	-
Gambia (The)	590	590	-
Guinea	1 178	1 178	-
Guinea-Bissau	773	773	-
Kenya	5 593	5 593	-
Lebanon	240	240	-
Lesotho	740	740	-
Liberia	1 084	1 084	-
Live and Learn Kiribati	168	168	-
Madagascar	931	931	-
Malawi	1 369	1 369	-
Mali	980	980	-
Mauritania	541	541	-
Mozambique	1 678	1 678	-
Myanmar ^b	-	-	-
Nepal	1 206	1 206	-
Niger	2 842	2 842	-
Nigeria	2 044	2 044	-
Pakistan	2 372	2 372	-
Palestine	604	604	-

<i>Country location/beneficiary</i>	<i>Approved grants less cancellations^a</i>	<i>Disbursements</i>	<i>Undisbursed grants</i>
Papua New Guinea	612	612	-
Precision Agriculture for Development	3 160	3 160	-
Rwanda	1 400	1 400	-
Samoa	217	217	-
Sao Tome and Principe	441	441	-
Senegal	930	930	-
Sierra Leone	978	978	-
Somalia	2 751	2 751	-
South Africa	331	331	-
South Sudan	706	706	-
Sparkassenstiftung	2 543	2 543	-
Sudan	1 657	1 657	-
Syrian Arab Republic	545	545	-
Philippines	3 204	3 204	-
Togo	945	945	-
Tonga	700	700	-
Tunisia	118	118	-
Uganda	2 121	2 121	-
United Republic of Tanzania	1 961	1 961	-
Vétérinaires Sans Frontières Germany	724	724	-
World Vision New Zealand	710	710	-
Yemen	3 746	3 746	-
Zambia	1 455	1 455	-
Zimbabwe	1 555	1 555	-
Total as at 31 December 2025	85 378	85 378	0
Total as at 31 December 2024	86 231	85 528	103

^a Balance considers grants approved as well as at disburseable stage, net of refund.

^b Grant cancelled in 2025.

Crisis Response Initiative (CRI)

Table 3

(Thousands of United States dollars)

<i>Member States</i>	<i>Local currency</i>	<i>Contribution denomination currency</i>	<i>Contribution Received US\$ equivalent</i>
Germany	EUR	30 000	31 683
Ireland	EUR	1 000	1 012
Netherlands (Kingdom of the)	EUR	10 000	9 989
United States	USD	10 000	10 000
Norway	NOK	300 000	27 647
Total as at 31 December 2025			80 331
Total as at 31 December 2024			80 331

Table 4

Summary of grants under CRI

(Thousands of United States dollars)

<i>Country location</i>	<i>Approved grants less cancellations</i>	<i>Disbursements</i>	<i>Undisbursed grants</i>
Afghanistan	5 316	5 316	-
Burundi	2 183	2 183	-
Central African Republic	5 769	5 686	83
Eritrea	3 300	3 300	-
Ethiopia	3 300	3 300	-
Gambia (The)	2 760	2 760	-
Haiti	890	890	-
Madagascar	2 482	2 482	-
Mali	2 887	2 875	12
Mozambique	5 774	5 774	-
Malawi	8 060	8 060	-
Niger	2 985	2 985	-
Somalia	9 995	9 995	-
Chad	3 253	3 248	5
Uganda	5 034	5 034	-
Yemen	3 290	3 290	-
Total as at 31 December 2025	67 278	67 177	101
Total as at 31 December 2024	72 864	67 836	5 028

Private Sector Trust Fund (PSTF)

Table 1
(Thousands of United States dollars)

PSTF contributions

<i>Member State</i>	<i>Local currency</i>	<i>Contribution received denomination currency</i>	<i>Contribution receivable denomination currency^a</i>	<i>Contribution denomination currency</i>	<i>Contribution US\$ equivalent</i>
Finland	EUR	2 000	2 000	4 000	4 385
Germany	EUR	34 706	1 714	36 420	41 433
Luxembourg	EUR	2 000		2 000	2 256
IFAD	USD	25 000		25 000	25 000
Denmark	DKK	15 000	35 000	50 000	7 678
Subtotal					80 752

Returnable contributions

Canada ^b	CAD	100 000		100 000	73 573
Finland	USD	32 400		32 400	32 400
Subtotal					105 973
Total as at 31 December 2025^b					186 725
Total as at 31 December 2024					150 322

^a The contribution receivable in US\$ equivalent as at 31 December 2025 amounts to US\$9.87 million.

^b As at 31 December 2025, loans amounting to US\$ 26 million had been approved and committed under Canada resources. Apart from interest earned, there are no other reimbursable amounts.

Table 2
Statement of outstanding loans (As at 31 December 2025)
(Amounts expressed in thousands)

<i>Borrower</i>	<i>Approved loans less cancellations</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Repayments</i>	<i>Outstanding</i>
<i>Loans denominated in EURO</i>					
SOAFIARY	1 750	1 750		50	1 700
Association Pour La Promotion De L'epargne / Credit A Base Communautaire (PEBCo)	3 000		3 000		
Subtotal EUR	4 750	1 750	3 000	-	1 700
US\$ equivalent	5 579	2 055	3 523	59	1 997
<i>Loans denominated in US\$</i>					
Credito Con Educaci3n Rural Instituci3n Financiera De Desarrollo (Creceer IFD)	5 000		5 000		
Cooperativa Central de Cr3dito com Intera3o Solid3ria – Central Cresol Baser	5 000		5 000		
AgDevCo Ventures Limited	10 000		10 000		
AMK Microfinance Institution Plc.	5 000	5 000			5 000
Bank Gaborone Limited	5 000		5 000		
Futuro Mcb S.A.	2 000	2 000		1 000	1 000
New Building Society Bank Plc. (NBS)	5 000	5 000			5 000
Babban Gona Farmer Services Nigeria Limited	5 000	2 000	3 000	500	1 500
Bank of Kigali	6 000		6 000		
Stanbic Bank Uganda Limited	5 000	5 000			5 000
Joint Stock Commercial Bank with Foreign Capital (Hamkorbank)	2 500	2 500			2 500
Subtotal US\$	55 500	21 500	34 000	1 500	20 000
Total US\$	61 079	23 555	37 523	1 559	21 997
Other receivables					311
Total loan outstanding 31 December 2025					22 308
Total loan outstanding 31 December 2024					23 081