

---

**IFAD's 2026 results-based programme of work, regular and capital budgets, and budget outlook for 2027–2028; the Independent Office of Evaluation of IFAD's results-based work programme and budget for 2026 and indicative plan for 2027–2028; and the progress reports on the HIPC, PBAS, BRAM and the implementation of the IFAD Graduation Policy**

---

Document: GC 49/L.4

Agenda: 7

Date: 30 January 2026

Distribution: Public

Original: English

**FOR: APPROVAL**

**Useful references:** IFAD's 2026 results-based programme of work, regular and capital budgets, and budget outlook for 2027–2028; the Independent Office of Evaluation of IFAD's results-based work programme and budget for 2026 and indicative plan for 2027–2028; and the progress reports on the HIPC, PBAS, BRAM and the implementation of the IFAD Graduation Policy ([EB 2025/146/R.18/Rev.1 + Add.1](#)).

**Action:** The Governing Council is invited to approve the recommendations contained in part six of this document and to adopt the draft resolution contained on page 44.

---

---

**Technical questions:**

**Edward Gallagher**  
Director  
Planning, Organizational Development and Budget  
Division  
e-mail: [ed.gallagher@ifad.org](mailto:ed.gallagher@ifad.org)

**Francesco Ranalletta**  
Senior Budget Specialist  
Planning, Organizational Development and Budget  
Division  
e-mail: [f.ranalletta@ifad.org](mailto:f.ranalletta@ifad.org)

## Contents

<b>Executive summary</b>	<b>III</b>
<b>Part one – IFAD’s 2026 results-based programme of work, regular and capital budgets, and budget outlook for 2027–2028</b>	<b>1</b>
I.    Introduction	1
II.    Context	1
A.    Update on the 2025 programme of loans and grants	1
B.    2024 and 2025 regular budget utilization	2
III.    2026 programme of loans and grants	2
IV.    2026 IFAD’s regular budget	3
A.    Prioritization and trade-offs	3
B.    Budget parameters and assumptions	4
C.    Net and gross regular budget proposal	7
D.    Efficiency ratios	10
V.    2027–2028 budget outlook and way forward	11
VI.    2026 capital budget	12
<b>Part two – Results-based work programme and budget for 2026, and indicative plan for 2027–2028 of the Independent Office of Evaluation of IFAD</b>	<b>13</b>
I.    Introduction	13
II.    Activities in 2025	13
A.    Key evaluations and related initiatives	13
B.    2024 and 2025 budget utilization	15
III.    IOE 2026 work programme	15
A.    Proposed work programme for 2026	15
IV.    2026 resource envelope	18
A.    Staff resources	18
B.    Budget requirements	19
V.    IOE budget proposal and considerations for the future	20
<b>Part three – Special expenditure budget for IFAD14</b>	<b>23</b>
<b>Part four– Enhanced Heavily Indebted Poor Countries Initiative progress report for 2025</b>	<b>24</b>
<b>Part five – Progress report on implementation of the performance-based allocation system, the Borrowed Resource Access Mechanism and the IFAD Graduation Policy</b>	<b>28</b>
<b>Part six – Recommendations</b>	<b>43</b>
<b>Draft resolution .../XLIX</b>	<b>44</b>

## **Annexes**

I.	Indicative list of countries with projects in the pipeline for 2026 (new projects and additional financing for ongoing projects)	45
II.	Capital budget, 2017–2025	46
III.	Representative outputs linked to 2026 budget	47
IV.	Indicative breakdown of 2026 regular budget by results pillar and institutional output group	51
V.	Price adjustment and real increase embedded into IFAD regular budget from 2019–2026 and forecast for 2027 and 2028	52
VI.	Reference values and parameters for efficiency ratios	53
VII.	IOE results management framework for 2025	54
VIII.	IOE proposed evaluation activities for 2026	56
IX.	IOE's indicative plan for 2027–2028	58
X.	IOE products	60
XI.	Examples of feedback from governing bodies and from Management received by IOE	68

## **Appendix**

Summary infographic

## Executive summary

1. **IFAD's mandate is more critical than ever, given the growing urgency to strengthen global food systems, safeguard rural livelihoods and ensure environmental sustainability.** The ambitious programme of work undertaken for the Thirteenth Replenishment of IFAD's Resources (IFAD13) period (2025–2027), amounting to US\$10 billion, underscores the scale of these challenges and reaffirms IFAD's commitment to delivering solutions with poor rural people at the centre.
2. **IFAD13 priorities and commitments drove the development of its 2026 budget.** IFAD will continue to sharpen the focus on fragile contexts, increase investments in biodiversity and the climate resilience of small-scale producers, increase engagement with the private sector and ensure inclusivity, particularly for marginalized groups.
3. **This final 2026 IFAD budget proposal provides greater granularity,** addressing the feedback obtained on the high-level budget preview. Integrating departmental and divisional inputs, the budget presents a clearer set of outputs linked to budget allocations. It also details cost drivers and trade-offs more explicitly.
4. **IFAD maintained a zero real growth budget for 2026, notwithstanding the increase in the size of its ongoing project portfolio.** Operations under implementation, amounting to US\$8.1 billion in 2024, grew to US\$9.1 billion in 2025. The size of the ongoing portfolio is projected to increase to US\$10.4 billion in 2026.
5. **The 2026 net regular budget is proposed at US\$194.71 million, representing zero real growth and a final price adjustment of 2.2 per cent.** The budget balances incremental investments in operational delivery – including fragile contexts and the private sector – with savings from recalibration and portfolio consolidation.
6. **Staff positions funded by the regular budget reduced from 860 full-time equivalents in 2025 to 852 in 2026.** To this end, IFAD abolished 19 net positions (including a net reduction of three General Service (GS) positions under the GS harmonization exercise), of which 15 net positions were administrative in nature. The savings were repurposed to create 11 new positions, primarily highly skilled positions in the private sector, technical operations areas and positions to enhance support for regional offices.
7. **Budget utilization for 2025 is forecast at 99.4 per cent.** IFAD's budget execution has remained consistently strong over recent years, aligning resources to operational needs and strengthening budget monitoring.
8. **Looking ahead, the 2027–2028 outlook assumes that the zero real growth will continue in the medium term,** assuming an initial price adjustment of 2 per cent results in a regular budget of US\$198.60 million and US\$202.57 million for 2027 and 2028, respectively. The 2028 estimate will be subject to the commitments and ambitions defined under IFAD14.
9. **The 2026 capital budget is proposed at US\$5.50 million,** prioritizing strategic information technology and cross-cutting investments that enhance programme delivery, business processes and operational resilience, while maintaining essential cyclical and infrastructure expenditures.
10. **The gross regular budget, including supplementary funds activities, totals US\$209.21 million** and reflects the management fees earned from mobilizing and managing an increasing amount of cofinancing resources.

11. **Under the umbrella of the Operational Agility Initiative** launched in 2025, Management will continue to build on efficiencies achieved through the 2024 recalibration exercise by enhancing operational effectiveness and improving results-based management and workforce planning, through comprehensive departmental and divisional planning over a three-year cycle.
12. **Building on reforms undertaken since 2017 to enhance efficiency and effectiveness, IFAD continues its active engagement with the UN80 Initiative**, bringing its unique perspective as both a United Nations specialized agency and an international financial institution.

# **IFAD's 2026 results-based programme of work, regular and capital budgets, and budget outlook for 2027–2028, and the Independent Office of Evaluation of IFAD's results-based work programme and budget for 2026 and indicative plan for 2027–2028**

## **Part one – IFAD's 2026 results-based programme of work, regular and capital budgets, and budget outlook for 2027–2028**

### **I. Introduction**

1. This document presents IFAD's proposed 2026 results-based regular and capital budgets.
2. The budget proposal addresses feedback received from the Audit Committee and Executive Board review of the high-level budget preview in September. In particular, it provides further granularity on cost drivers and the trade-offs made to achieve a zero real growth budget. It also provides an improved set of outputs linked to budget allocations, strengthening IFAD's results-based management approach.
3. Section II of the document sets out the planning context, including an overview of 2025 budget implementation. Section III highlights the 2026 planned programme of loans and grants, while section IV presents the proposed 2026 net regular budget. Section V presents the medium-term budget outlook and section VI sets out the capital budget.

### **II. Context**

4. **The priorities set out in the 2026 budget serve the IFAD13 planned programme of work of US\$10 billion**, while increasing engagement with the private sector, enhancing IFAD's support in fragile contexts and increasing investments in biodiversity and climate resilience for smallholder farmers.
5. **The 2026 budget is also highly relevant to IFAD's active engagement in the UN80 Initiative** as both a United Nations specialized agency and an international financial institution. During 2025, the first year of IFAD13, the United Nations system is responding to calls to drive efficiency across its institutions and return to core United Nations mandates.
6. Building on reforms undertaken since 2017 to enhance efficiency and effectiveness, IFAD launched its Operational Agility Initiative in 2025 as a concerted effort to streamline operational processes, strengthen results-based management and implement multi-year planning (including of workforce needs), and remains engaged in the UN80 Initiative as part of a broader shift towards greater operational agility.

#### **A. Update on the 2025 programme of loans and grants**

##### **Projected delivery for 2025**

7. IFAD approved 13 new investment projects/programmes as at 1 October 2025, valued at US\$369 million. During the final quarter of 2025, IFAD will approve 13 new investment projects/programmes and 20 additional financing proposals.
8. By the end of 2025, IFAD will have approved US\$1.253 billion. This includes US\$1.233 billion in loans and Debt Sustainability Framework (DSF) grants (US\$1.143 billion in IFAD13 resources or 35 per cent of the programme of loans and grants [PoLG], accompanied by US\$0.09 billion in cancelled/repurposed funds),

US\$10.4 million in regional and global grants and US\$10 million in non-sovereign operations.

9. Management closely monitors the IFAD13 PoLG pipeline and is managing proactively any risks of slippage.

### Portfolio

10. As at 1 October 2025, 193 operations were under implementation<sup>1</sup> amounting to a total of US\$24 billion. Of this amount, US\$9.1 billion was IFAD financing, representing a cofinancing ratio of 1:1.6.<sup>2</sup>

## B. 2024 and 2025 regular budget utilization

### 2024 actual utilization and 2025 forecast

11. IFAD's budget execution has remained consistently strong over recent years as presented in table 1, aligning resources to operational needs and strengthening budget monitoring practices. The 2025 budget utilization rate, projected at 99.1 per cent in the high-level preview, is now forecast at 99.4 per cent based on data available at the time of drafting.

Table 1

### Regular budget utilization – actual 2023–2024 and forecast 2025

(Millions of United States dollars)

	2023 full year		2024 full year		2025 forecast	
	Budget	Actual	Budget	Actual	Budget	Actual
Regular budget	175.71	171.7	183.41	182.59	190.51	189.4
Percentage utilization	97.7		99.55		99.4	

## III. 2026 programme of loans and grants

12. At present, Management is planning an estimated PoLG of US\$1.633 billion, consisting of 51 projects for approval in 2026. This comprises 35 new projects and 16 additional financing proposals, reflecting IFAD13 mainstreaming targets.

Table 2

### Actual and projected PoLG approvals and programme of work

(Millions of United States dollars)

	Actual <sup>a</sup>			Forecast <sup>b</sup>	Planned <sup>b</sup>
	2022	2023	2024	2025	2026
IFAD PoLG: IFAD loans (including loan component grants), DSF grants, global and regional grants and non-sovereign operations	884	535	2 043	1 253	1 633
Other funds under IFAD management <sup>c</sup>	241	220	223	237	158
<b>Total PoLG</b>	<b>1 125</b>	<b>755</b>	<b>2 266</b>	<b>1 490</b>	<b>1 791</b>
Cofinancing, international (net of IFAD-managed cofinancing) and domestic	959	1 886	5 061	2 161	1 318
<b>Total PoW</b>	<b>2 085</b>	<b>2 641</b>	<b>7 327</b>	<b>3 652</b>	<b>3 109</b>
<b>Portfolio under implementation <sup>d</sup></b>	<b>8 640</b>	<b>8 685</b>	<b>8 117</b>	<b>9 191</b>	<b>10 444</b>

<sup>a</sup> Source: Grants and Investment Projects System as at 1 October 2025. Current amounts reflect any increase (decrease) in financing during implementation, including additional domestic and international cofinancing.

<sup>b</sup> Includes cancelled and repurposed resources.

<sup>c</sup> Other funds managed by IFAD, including under the Adaptation for Smallholder Agriculture Programme (ASAP), Global Environment Facility, Least Developed Countries Fund, Global Agriculture and Food Security Program, European Commission and European Union, and Green Climate Fund, in addition to bilateral supplementary and complementary grants. Actual numbers recalibrated following system alignment.

<sup>d</sup> 2024 figures are based on data as at 31 December 2024, and 2025 projected figures are based on data available as at 1 October 2025.

<sup>1</sup> Portfolio under implementation includes all projects disbursing at the time of the data download. It does not include projects approved but yet to enter into force.

<sup>2</sup> The programme of work is defined as the total PoLG (IFAD PoLG + IFAD-managed PoLG) plus international and domestic cofinancing not managed by IFAD. International cofinancing not managed by IFAD includes investment financing from other multilateral development banks, contributions from other United Nations agencies and supplementary funds from the international agencies, the European Commission, donor governments, the private sector and other sources.

- 13. The 2026 pipeline includes 10 projects (or 19 per cent) in fragile situations; and 16 projects (or 31 per cent) in low-income countries. Sixteen global, regional and other grants are planned for approval in 2026 for a total value of US\$20.6 million. The combined 2025 and 2026 estimated PoLG represents 85 per cent of the US\$3.4 billion PoLG in the first two years of IFAD13.
- 14. In parallel, IFAD continues to manage an expanding active portfolio, within the same budgetary envelope. This demonstrates the Fund's capacity to sustain delivery at scale through improved portfolio management, strengthened supervision and the consolidation of operations into larger, more impactful projects.

## IV. 2026 IFAD's regular budget

### A. Prioritization and trade-offs

- 15. The 2026 budget proposal reflects incremental requirements to deliver IFAD13 commitments offset by trade-offs and cuts to ensure zero real growth.

#### **Cost drivers (incremental requirements)**

##### **Operational delivery (including South-South and Triangular Cooperation [SSTC], technical, fragility and mainstreaming themes) (+US\$2.20 million)**

- (i) Incremental resources to sustain programme delivery at scale, with a particular focus on fragility and cross-cutting themes: this includes resources for new designs and additional financing for sovereign operations, embedding both Social, Environmental and Climate Assessment Procedures (SECAP) and fragility assessments; and 10 non-sovereign designs with related due diligence missions (US\$1.31 million). Programme delivery support has also been reinforced through additional non-staff allocations for SSTC and the Fragility Unit (US\$0.25 million), complemented by three new regional technical specialists in crop and animal production, land and water management and rural finance (US\$0.54 million) and additional country administrative assistants in regional offices (US\$0.10 million).

##### **Private sector (+US\$0.99 million)**

- (ii) To deliver on the IFAD13 commitment to scale up non-sovereign operations, additional resources are directed to private sector activities. These include specialized technical expertise to support investment appraisal and portfolio management, legal structuring and transaction preparation (US\$0.40 million) and new staff positions to strengthen the Private Sector Operations Division (US\$0.59 million). Together, these reinforcements will consolidate IFAD's role as a catalyst for private sector engagement in rural transformation.

##### **Financial architecture (+US\$0.11 million)**

- (iii) Incremental resources are directed to strengthen IFAD's financial architecture, including a repurposed treasury analyst position and dedicated funding to pilot innovative instruments (US\$0.11 million). These measures reinforce fiduciary oversight, enhance treasury and risk management functions, and expand IFAD's capacity to deploy diversified financing tools in support of IFAD13 commitments.

#### **Trade-offs and savings**

- 16. To offset the incremental requirements, IFAD identified trade-off measures to balance efficiency gains and ensure compliance with IFAD13 commitments, as follows:

##### **Operational delivery – savings from consolidation of portfolio (-US\$1.20 million)**

- (i) IFAD achieved efficiency gains in operational delivery by consolidating its sovereign operations portfolio into fewer but larger projects. This includes the approval of additional financing for scaling successful projects and magnifying

impact. Accompanied by proactive restructuring and the reduction in actual problem projects, consolidation resulted in reduced supervision and implementation support costs. While supervision remains a top priority and resources continue to be safeguarded for portfolio performance, these savings also reflect the benefits of decentralization, with proximity allowing for more efficient follow-up on operations.

**Recalibrated structure and GS harmonization (-US\$1.49 million)**

(ii) IFAD's recalibrated structure generated savings. The Fund saved approximately US\$1.32 million by abolishing administrative positions at headquarters as a result of setting up new regional offices and repurposing positions under the recalibrated organograms of the People and Culture Division, the Management Services Division, the Treasury Services Division and the Communications Division. A further US\$0.17 million in savings stemmed from the net impact of the GS harmonization exercise, which resulted in a net reduction of three full-time equivalents (FTEs).

**Institutional functions, services and systems (-US\$0.61 million)**

(iii) Savings were achieved from scaling back consultancy services and internalizing functions within existing staff while also refocusing training resources towards operational delivery (US\$0.78 million). In addition, IFAD rationalized travel and representation budgets, concentrating resources on essential missions and statutory meetings (US\$0.19 million). The savings were partially offset by additional resources allocated to digital infrastructure and cybersecurity, core system maintenance and the roll-out of enterprise tools (US\$0.36 million), ensuring business continuity and supporting more agile, technology-enabled delivery. Together, these investments reinforce IFAD's institutional functions, enabling them to better support programme delivery.

17. Table 3 provides an overview of incremental requirements and trade-offs, and the resulting zero growth net effect produced on the 2026 proposed budget.

Table 3  
**2026 budget proposal: prioritization process results**  
(Millions of United States dollars)

<i>Cost drivers (2026 incremental requirements)</i>	
<b>Key IFAD13 commitments:</b>	
Operational delivery (including SSTC, fragility and mainstreaming themes)	2.20
Private sector engagement	0.99
<b>A. 2026 incremental requirements for IFAD13 commitments</b>	<b>3.19</b>
<b>Other incremental requirements:</b>	
Financial architecture	0.11
<b>B. 2026 other high priority incremental requirements</b>	<b>0.11</b>
<b>C. (A+B) 2026 incremental requirements subtotal</b>	<b>3.30</b>
<i>Trade-offs and savings</i>	
Operational delivery – savings from consolidation of PoLG operations into larger projects	(1.20)
Recalibrated structure and GS harmonization	(1.49)
Institutional functions, services and systems	(0.61)
<b>D. 2026 trade-offs, subtotal</b>	<b>(3.30)</b>
<b>E. (C-D) Net incremental requirements</b>	<b>0.00</b>

**B. Budget parameters and assumptions**

**Exchange and inflation rates**

18. Using the agreed upon foreign exchange rate calculation methodology,<sup>3</sup> the exchange rate for 2026 is EUR 0.912:US\$1, compared to last year's exchange rate

<sup>3</sup> [AC 2015/136/R.6](#) – Methodology for calculating foreign exchange and inflation assumptions in annual budgets.

of EUR 0.926:US\$1 and the rate used in the 2026 budget preview (EUR 0.922:US\$1).

19. The shift was factored into the 2026 budget, resulting in a moderate increase on staff standard costs and other administrative euro-denominated expenditures. Management will continue to closely monitor exchange rate movements.
20. The inflation adjustment for the 2026 budget was calculated using the agreed upon methodology, by applying differentiated price factors to the different expenditure categories. For other costs, a weighted average of global and Italian consumer price indices was used.
21. The proposed method for adjusting the 2026 regular budget for inflation and price adjustments is as follows:
  - **Consultancy costs.** The inflation factor of 2.21 per cent was established based on a review of the average daily fees of consultancy contracts issued in 2024 and 2025. This review captures the difference in average daily rates for the same consultants over the two years to ensure that the 2026 budget reflects anticipated adjustments in consultancy costs. The lower price adjustment than proposed in the preview has resulted from a wider population sample of consultancy contracts used for comparison.
  - **Travel costs.** The price adjustment factor for travel costs was established on the basis of an analysis of global travel trends conducted by IFAD's travel service provider. The forecast anticipates modest increases in airfare and accommodation rates, reflecting a stabilizing price environment after several years of higher growth. Applying these projections to IFAD's 2024–2025 travel expenditure pattern (with tickets representing 49.5 per cent of costs and daily subsistence allowance and other items 50.5 per cent) results in a weighted price adjustment of 1 per cent, applied to the 2025 baseline. This adjustment is lower than the high-level preview as more complete data is now available.
  - **Information and communications technology (ICT) services costs.** The inflation adjustment was calculated using the approved methodology, which applies an average of the world consumer price index published by the International Monetary Fund and the Italian consumer price index from the Italian National Institute of Statistics. Based on these data,<sup>4</sup> to account for anticipated global and local inflation trends in ICT services, Management is proposing a 3.05 per cent increase for this expenditure category, to be applied to the budget baseline. The proposed price adjustment also includes the increase in ICT software and hardware fees attributable to unavoidable price indexation.
  - **Other costs.** The inflation factor for other costs was determined using the approved methodology, which applies a weighted average of the world and Italian consumer price indices. For 2026, a rate of 3.05 per cent was applied to all subcategories, with the exception of other staff costs, where a lower rate of 2.15 per cent price increase is being proposed. Applying these differentiated factors results in an overall adjustment of 2.60 per cent for this category, corresponding to an approximate increase of US\$0.81 million against the 2025 baseline.

---

<sup>4</sup> Global growth is projected at 3.0 per cent for 2025 and 3.1 per cent in 2026, an upward revision from the April 2025 World Economic Outlook. This reflects front-loading ahead of tariffs, lower effective tariff rates, better financial conditions and fiscal expansion in some major jurisdictions. Global inflation is expected to fall, but United States inflation is predicted to stay above target. Downside risks from potentially higher tariffs, elevated uncertainty and geopolitical tensions persist. Restoring confidence, predictability and sustainability remains a key policy priority ([World Economic Outlook Update, July 2025 International Monetary Fund](#)). The world consumer price index published by the International Monetary Fund: +4.3 per cent. Italian inflation index published by the Italian National Institute of Statistics: +1.8 per cent (<https://www.istat.it/en/press-release/consumer-prices-june-2025/>).

- **Staff costs.** In line with previous years, 2026 staff costs were derived from updated standard costs. These were calculated separately by grade and adjusted for the weighted distribution of salary steps, using actual IFAD staff data. Reviews were conducted for both GS and Professional categories at headquarters and IFAD country offices (ICOs), factoring in actual payroll, salary scales, post-adjustment trends, relevant exchange rates, and the mobility factors and entitlements of Professional staff.

The standard costs for 2026 include the following adjustments:

- (i) Within-grade step increments for base salaries in 2026, which reflected a stable trend overall. While average steps increased for certain grades and decreased for others, the net effect on standard costs has been a very minor increase;
- (ii) For 2026, post-adjustment rates increased across all locations where IFAD maintains a staff presence, largely as a result of the weakening of the United States dollar against local currencies during 2025. This has produced a material upward impact on standard costs;
- (iii) No adjustment to the GS salary scale is expected as the GS survey results of 2024 are already reflected in previous year standard costs (impact on standard costs – none);
- (iv) Salary scale and exchange rate variations for field-based GS and national Professional staff, which have recorded material upward adjustments in some locations (impact on standard costs – increase);
- (v) The EUR 0.912:US\$ exchange rate for 2026, which affects GS staff and some entitlements for Professional staff at headquarters and resulted in a considerable upward adjustment of the related United States dollar countervalue of these costs (impact on standard costs – increase); and
- (vi) Allowances and benefits related to staff mobility, relocations, hardship duty stations and security emergencies (impact on standard costs – minor increase).

22. As a result of the above, the overall compound inflation rate applied to the 2026 IFAD administrative budget is 2.2 per cent (with an associated increase in staff costs within this overall total of 2.15 per cent), as shown in table 4.

Table 4  
**Price adjustment 2026 budget proposal**  
(Millions of United States dollars)

Expenditure category	Baseline	Price adjustment factors	Total inflation
Staff	114.37	2.15%	2.46
Consultants	26.33	2.21%	0.58
Duty travel	10.93	1.00%	0.11
ICT non-staff costs	7.85	3.05%	0.24
Other costs	31.04	2.60% (3.05% for all subcategories except for other staff costs at 2.15%)	0.81
<b>Total</b>	<b>190.51</b>	<b>2.20% (compounded rate)</b>	<b>4.20</b>

## Staffing

23. IFAD's proposed regular budget staffing level for 2026 is 852 FTEs, compared to 860 FTEs for 2025. The net decrease of 8 FTEs is comprised of 11 new and 19 abolished positions. Of the total 2026 staffing funded by the regular budget, 417 FTEs or 48.94 per cent is field based.<sup>5</sup>

<sup>5</sup> Staff based in IFAD's liaison offices are considered as headquarters-based.

24. The 11 new FTEs in the 2026 budget are primarily to strengthen the following areas:

- IFAD's private sector operations, which require highly technical skills that are currently lacking. New investment and portfolio management officer positions are being proposed to bridge this gap; and
- New technical specialist positions, reinforcing programme delivery at field level in priority thematic areas, with a focus on rural finance, land and water, and crop and animal production across regions. Additional country administrative national staff are being proposed to support regional office operations.

25. The 19 abolished FTEs arise from the set-up of the Asia and the Pacific and the Latin America and the Caribbean regional offices, resulting in a reduction in GS positions at headquarters, a net reduction due to the GS harmonization exercise, repurposing existing positions and final adjustments from the recalibration exercise. Of the 19 abolished FTEs, 15 positions stem from abolishing Rome-based administrative and programme assistant roles, as corporate support functions are consolidated both at headquarters and in the field.

26. In addition to the regular positions, an additional two FTEs will be financed by supplementary fund management fees, bringing the total number of FTEs financed from fees to 41 FTEs. It should be noted that the level of supplementary funds, associated fees and related funded positions may vary based on additional contributions mobilized during the year.

## **C. Net and gross regular budget proposal**

### **Net regular budget proposal**

27. The proposed 2026 net regular budget is US\$194.71 million, representing zero per cent real growth over the 2025 budget of US\$190.51 million. This increase reflects the impact of price adjustments.

28. The absence of real growth in the 2026 budget proposal, compared to an original estimate of 0.85 per cent, underscores Management's resolve for fiscal discipline.

Table 5  
**Regular budget**  
(Millions of United States dollars)

(A) 2025 approved budget	(B) 2026 price increase (2.2%)	(C) 2026 estimated real increase	(D) 2026 nominal budget (A+B+C)	Real growth (C/A)	Nominal growth (D-A)/A
190.51	4.20	-	194.71	0%	2.20% increase

### **Budget proposal by summary cost category**

29. A comparison between the 2025 approved budget and 2026 budget proposal across major cost categories is shown in table 6.

Table 6  
**Regular budget by cost category, 2025 approved budget versus 2026 proposal**  
(Millions of United States dollars)

Cost category	2025	2026	% variance
Staff	114.36	117.47	2.7
Consultants	26.33	26.26	(0.3)
Duty travel	10.93	11.15	2.0
ICT non-staff costs	7.85	8.12	3.5
Other costs	31.04	31.71	2.1
<b>Total</b>	<b>190.51</b>	<b>194.71</b>	<b>2.2</b>

30. The variances between 2025 and 2026 across the different cost categories are described below:

- (i) **Staff costs.** The increase of 2.7 per cent reflects primarily the impact of inflation adjustments to salary scales, post-adjustment multipliers and exchange rate variations. In addition, notwithstanding the decrease in the overall staffing complement by eight FTEs in 2026, Management has repurposed positions towards more specialized functions at higher grades to strengthen delivery capacity.
- (ii) **Consultants.** Despite the price adjustment factor, overall consultant costs are projected to remain broadly stable, with a net slight decrease (-0.3 per cent) compared to 2025. This reflects Management's deliberate efforts to rationalize the use of long-term consultancy assignments and rely increasingly on internal redeployments and targeted expertise.
- (iii) **Duty travel.** The 2 per cent increase reflects the price adjustments applied to airfares and accommodation, in line with global forecasts and a marginal increase due to expanded support for non-sovereign operations. At the same time, Management continues to contain costs by prioritizing operational missions, applying stricter travel planning and increasingly using virtual platforms for meetings where appropriate. This ensures that increases remain modest despite sustained operational demands.
- (iv) **ICT and other costs.** ICT non-staff costs will increase by 3.5 per cent, reflecting contractual indexation of software and hardware fees, continued investment in digital infrastructure and cybersecurity, as well as recurrent costs associated with new ICT initiatives funded under previous capital budgets.
- (v) **Other costs increase** by 2.1 per cent, largely driven by inflationary adjustments, while efficiencies in administrative and support services continue to offset upward pressures.

#### **IFAD regular budget by results pillars and cost classification**

- 31. The 2026 budget provides a breakdown of cost allocation to four strategic pillars, ensuring that resources are transparently linked to programmatic priorities and institutional outputs. This represents an improvement on the approach taken in 2025. Specifically, outputs under each pillar have been identified in collaboration with all departments across IFAD. Moving forward, Management will further improve the approach as set out in the section below. Table 7 presents the 2026 regular budget proposal by results pillars, distinguishing between direct and indirect costs.
- 32. Pillar I (country programme delivery) accounts for the greatest share of the budget (57.62 per cent). This translates into nearly US\$68 million for staff working on operations design and implementation support, accompanied by an additional US\$44.3 million of non-staff costs supporting operations. In line with the approach undertaken in 2025 and past years, this underscores Management's continued efforts to prioritize the allocation of resources (i.e. both staff and non-staff costs) towards programme delivery and impact on the ground.
- 33. Pillar II encompasses key activities for country-level and global policy engagement; these magnify the impact of operations on the ground. IFAD engages strategically in G7 and G20 policy processes, with other multilateral development banks, and at global forums, including with the other Rome-based agencies, United Nations entities, the private sector, civil society and others.
- 34. Pillars III and IV underpin effective delivery with a solid financial architecture that assembles and catalyses development finance, and an institutional framework centred on talent management and strategic investment in ICT.

Table 7  
**Indicative breakdown of regular budget by direct and indirect costs and by results pillar, 2025 approved and 2026 proposed**  
(Millions of United States dollars)

Cost classification	Pillar description	2025 budget	2025 %	2026 proposed budget	2026 %
<i>Direct</i>	<i>Pillar 1: Country programme delivery</i>	109.53	57.49	112.19	57.62
<i>Indirect</i>	<i>Pillar 2: Knowledge-building, dissemination and policy engagement</i>	14.50		14.46	
	<i>Pillar 3: Financial capacity and instruments</i>	10.39	42.51	10.65	42.38
	<i>Pillar 4: Institutional functions, services and systems</i>	56.10		57.39	
<b><i>Grand total</i></b>		<b>190.51</b>	<b>100</b>	<b>194.71</b>	<b>100</b>

35. Annex III lists identified outputs linked to the budget by pillar. Annex IV provides a more detailed breakdown of the 2026 versus the 2025 regular budget by results pillar and institutional output group.

**Enhancing results-based management and planning, and linking budget to outputs**

36. As a core enabler of operational agility, IFAD continues to refine its results-based budgeting and results-based management methodology to enhance transparency, accountability and the alignment of institutional resources with development outcomes.

37. Results-based management anchors IFAD in its core mandate and orients the whole organization towards this vision; ensures that budget allocations are guided by replenishment commitments; facilitates resource mobilization; provides a line of sight from individual activities to organizational outputs and to strategic outcomes; shifts the focus from activities to results; supports efficient use of resources; and enhances accountability. In the medium term, Management will:

- (i) Enhance the link between replenishment commitments (and the associated results management framework) and annual delivery – anchored in a rolling three-year planning cycle as of 2028. A medium-term planning horizon is more consistent with the three-year replenishment cycle and the multi-year nature of project delivery and will support prioritization across the organization. Prioritization may include consideration of areas that IFAD should no longer be involved in;
- (ii) Ensure that a core set of multi-year planning assumptions, centred on operational delivery in the field, underpins resource allocation. Non-operational departments will align their work to the joint operational planning assumptions;
- (iii) Further strengthen the link between budget allocations and results, which will involve allocating resources to outputs (i.e. the planned, tangible results) and ultimately to corporate outcomes; and
- (iv) Simplify internal budget mechanisms while ensuring that internal budget submissions are underpinned by planned results and coordination between departments.

38. Management will also develop an approach to multi-year workforce planning, which is another core enabler of operational agility. Strategic workforce planning will better position the organization to anticipate and address workforce needs to meet its commitments and priorities by providing medium- to long-term guidance for succession planning, recruitment, reskilling and upskilling, staff mobility, composition of project teams, repurposing of positions and proactive changes in the workforce.

### **Gross budget proposal**

39. The gross regular budget for 2026 is proposed at US\$209.21 million, compared with US\$203.01 million in 2025.
40. In addition to the increase of US\$4.2 million in regular budget, the additional increase in the gross budget comes from the allocation to support supplementary fund activities, which has increased from US\$12.5 million in 2025 to US\$14.5 million in 2026. This US\$2 million increase reflects the increase in IFAD supplementary funds mobilized in recent years, which has in turn resulted in an increase in the size of IFAD's supplementary funds portfolio. During the IFAD12 period, IFAD reached a major milestone of US\$1 billion in supplementary resources mobilized.<sup>6</sup>
41. The expansion of these resources has been accompanied by a higher level of management fees, which enhances IFAD's capacity to recover costs and sustain the provision of quality services.

Table 8  
**Indicative gross and net budget for 2026**  
(Millions of United States dollars)

Cost category	Approved 2025	Proposed 2026
Gross budget	203.01	209.21
Costs to support supplementary fund activities	(12.50)	(14.50)
<b>Net regular budget</b>	<b>190.51</b>	<b>194.71</b>

### **D. Efficiency ratios**

42. Efficiency ratios<sup>7</sup> remain robust in 2026, confirming that direct costs have grown moderately, reflecting continuous prioritization of resources for programmatic activities and country programme delivery, while indirect costs remain contained.
43. Efficiency ratio 1 – calculated by dividing total costs by the PoLG, including other IFAD-managed funds – is projected at 12 per cent, compared with 14 per cent in 2025.
44. Efficiency ratio 2 – calculated by dividing total costs by the overall IFAD-managed programme of work (PoW) – is expected to be 7 per cent in 2026, consistent with the second year of IFAD12 cycle.
45. Efficiency ratio 3 – calculated by dividing the active portfolio under implementation by total costs, including costs to support supplementary fund activities – is forecast to improve from 46 in 2025 to 50 in 2026, highlighting the efficiency of a larger portfolio.
46. Administrative expense ratios were introduced in 2025 to further enhance transparency around the allocation of IFAD's regular budget between direct and indirect costs:
  - (i) The administrative expenses to active portfolio ratio, calculated as the indirect costs in IFAD's administrative budget over the active project portfolio, remains stable at around 1 per cent.
  - (ii) The administrative expenses to total project expenses, i.e. indirect costs measured against direct budget expenditures plus PoLG disbursements for the respective year, is expected to move from 6 per cent in 2025 to 5 per cent in 2026, which is a small but positive move.

<sup>6</sup> US\$1.14 billion mobilized during IFAD12, and a total ongoing portfolio of 205 agreements totalling US\$1.845 billion as at 31 December 2024. See also [EB 2025/145/R.37](#) – Overview of supplementary funds received, committed and used in 2024.

<sup>7</sup> Annex VI shows reference values and parameters for efficiency ratios calculation.

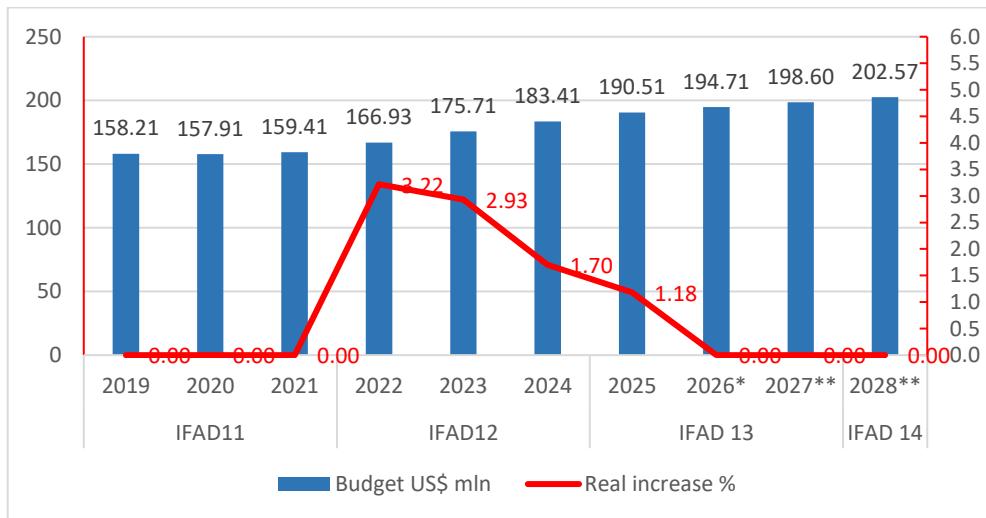
Table 9  
Efficiency ratios

	Actuals 2022	Actuals 2023	Actuals 2024	IFAD12 (2022/2024)	Projected 2025	Projected 2026
<b>Efficiency ratio 1: Total costs/PoLG including other IFAD-managed funds</b>	15%	24%	8%	13%	14%	12%
<b>Efficiency ratio 2: Total costs/PoW</b>	8%	7%	3%	4%	6%	7%
<b>Efficiency ratio 3: Portfolio/total costs</b>	51	48	42	n.a.	46	50
<b>Administrative expenses to active project portfolio:</b> Indirect expense budget / active project portfolio	n.a.	1%	1%	n.a.	1%	1%
<b>Administrative expenses to total project expenses:</b> Indirect expense budget / (direct expense budget + PoLG disbursement)	n.a.	12%	4%	n.a.	6%	5%

## V. 2027–2028 budget outlook and way forward

47. Management anticipates maintaining zero real growth in 2027 and, subject to the commitments and ambitions defined under IFAD14, also in 2028.
48. Figure 1 presents the trajectory of IFAD's regular budget and the monetary value of real increases since 2019. The moderate real growth introduced during IFAD12 to underpin institutional reforms and operational expansion has not continued into IFAD13.
49. Annex V shows the evolution of price adjustments and real increases in IFAD's regular budget over the last three replenishment cycles.

Figure 1  
IFAD regular budget and real increase (%) from 2019 to 2028



\* Proposed budget

\*\* Forecast budget

50. Table 10 outlines the indicative trajectory for the IFAD regular budget for the period 2026–2028. Consistent with the approach adopted for 2026, the projections for 2027 and 2028 assume zero real growth.
51. The regular budget is projected at US\$198.60 million and US\$202.57 million for 2027 and 2028, respectively, and incorporates an estimated price adjustment of 2 per cent. Both years thus represent a continuation of a stable budgetary trajectory, although the 2028 projection will be subject to the policy directions and ambition defined under IFAD14.
52. Based on current expenditure patterns and forecasts, incremental recurrent costs for 2027 and 2028 are expected to further enhance delivery in a decentralized

business model and from ICT projects transitioning out of the capital budget. These pressures will be contained through efficiency gains, streamlining of support services, and continued reprioritization of resources to sustain programmatic priorities in the lead-up to IFAD14.

Table 10  
**2026–2028 budget trajectory**  
(Millions of United States dollars)

	2025 approved budget	%	2026 proposed budget	%	2027 projected	%	2028 projected
Real growth	0.00	-	0.00	-	0.00	-	0.00
Price adjustment	2.20		4.20	2.00	3.89	2.00	3.97
Nominal increase/(decrease)	2.20		4.20	2.00	3.89	2.00	3.97
<b>Grand total</b>	<b>190.51</b>		<b>194.71</b>		<b>198.60</b>		<b>202.57</b>

## VI. 2026 capital budget

53. Capital budget requests from the departments for 2026 totalled US\$11.14 million, distributed across ICT (US\$10.29 million) and non-ICT-related proposals (US\$0.85 million). These requests were carefully reviewed and prioritized to ensure alignment with corporate priorities, IFAD13 commitments and the medium-term budget framework.
54. Proposals were assessed not only for strategic relevance but also for their recurrent cost implications, with priority given to those generating efficiencies and reducing future budgetary pressures, thereby safeguarding the zero real growth trajectory.
55. The 2026 capital budget envelope amounts to US\$5.50 million. Within this envelope: (i) US\$3.10 million is directed to strategic focus areas, including projects leveraging digital tools for results-based planning and other initiatives that directly support programme delivery and monitoring of IFAD13 commitments; (ii) US\$0.92 million is allocated to cross-cutting initiatives to strengthen corporate business processes and enhance efficiency; and (iii) US\$1.48 million is reserved for cyclical and business continuity investments, such as essential infrastructure maintenance and ICT hardware replacement.

Table 11  
**Capital budget request, 2026**  
(Millions of United States dollars)

Category	Amount	Percentage
Strategic priorities and focus areas	3.10	56
Other cross-cutting investments	0.92	17
Cyclical and business continuity	1.48	27
<b>Total</b>	<b>5.50</b>	<b>100</b>

## Part two – Results-based work programme and budget for 2026, and indicative plan for 2027–2028 of the Independent Office of Evaluation of IFAD

### I. Introduction

56. This document reviews the status of activities conducted by the Independent Office of Evaluation of IFAD (IOE) in 2025 and outlines IOE priorities in 2026 and beyond. The document was informed by extensive consultations with IFAD's governing bodies and Management, including the Department for Country Operations (DCO) and the Office of Development Effectiveness (ODE). This document is aligned with the multi-year evaluation strategy presented to the Evaluation Committee at its 114<sup>th</sup> session and approved by the Executive Board at its 134<sup>th</sup> session in December 2021.<sup>8</sup> The multi-year strategy helps operationalize the 2021 Revised IFAD Evaluation Policy.<sup>9</sup>

### II. Activities in 2025

57. This section provides an update on the progress made in 2025, budget utilization through June 2025 and projected 2025 year-end budget utilization. In line with the 2021 evaluation policy, the IOE budget is prepared independently of IFAD's administrative budget.

#### A. Key evaluations and related initiatives

58. IOE continued its efforts to expand its evaluative coverage and engage meaningfully in knowledge generation as a thought leader in the field. The progress made in selected evaluation activities is outlined below:

- The thematic evaluation of IFAD's support to nutrition was finalized in early 2025 and presented to the Evaluation Committee at its 129<sup>th</sup> session in June 2025. The evaluation will inform the development of the new IFAD nutrition strategy.
- The corporate-level evaluation (CLE) of the Eleventh Replenishment of IFAD's Resources (IFAD11) and IFAD12 is planned for completion in late 2025. The approach paper was discussed with the Evaluation Committee at its 126<sup>th</sup> session in September 2024.
- The evaluation of IFAD's experience in small island developing states was completed in mid 2025. The report will be presented to the Evaluation Committee at its 131<sup>st</sup> session in November 2025.
- A CLE of IFAD's human resource management will commence in 2025 with expected completion in 2026. The approach paper will be presented to the Evaluation Committee in early 2026.
- **Country strategy and programme evaluations (CSPEs).** The CSPEs in Dominican Republic, Egypt, Ghana, Lao People's Democratic Republic and Mauritania were completed in the first part of 2025. The main missions for the CSPEs in Plurinational State of Bolivia, Chad, Cote d'Ivoire, Djibouti, Honduras, Mexico, Senegal, Viet Nam and Zambia were conducted in the first half of 2025, and are planned for completion in 2025. The CSPEs for Mozambique, Peru and Zimbabwe will start in the second half of 2025, with completion planned for 2026.
- **Annual Report on the Independent Evaluation of IFAD (ARIE).** IOE prepared its twenty-third ARIE for presentation to the Evaluation Committee at its 130<sup>th</sup> session and the Executive Board at its 145<sup>th</sup> session. In addition to

<sup>8</sup> <https://webapps.ifad.org/members/eb/134/docs/EB-2021-134-R-36.pdf>.

<sup>9</sup> <https://webapps.ifad.org/members/eb/132/docs/EB-2021-132-R-5-Rev-1.pdf>.

the traditional time series analysis of ratings from project-level evaluations, the 2025 ARIE contains an analysis of the impact of fragility on ratings and performance, a summary of findings on non-lending activities from recent CSPEs, an in-depth analysis of performance on sustainability of benefits and a summary of findings on the implications of COVID-19 for projects and country programmes recently evaluated.

- **Project performance evaluations (PPEs)** are project-level evaluations that include country missions with field visits and are key to understanding IFAD's performance at a granular level. They serve as building blocks for country-level evaluations, evaluation syntheses, CLEs and the ARIE. The PPEs are progressing as planned. The report for Montenegro was finalized in early 2025. Field missions for Cambodia, Malawi and Nigeria took place in the first half of 2025, with completion planned by the end of 2025. The field mission of Tajikistan will take place in September–October 2025 with completion expected in early 2026.
- **Project completion report validations (PCRVs)** provide an evaluative and objective assessment of the performance and results of IFAD operations and of the quality of the project completion reports (PCRs) prepared by IFAD Management. In the first half of 2025, IOE completed eight PCRVs.
- **The Evaluation Advisory Panel**, commissioned by the IOE Director to further IOE's independence, credibility and utility, continued its advisory engagement in 2025. This panel comprises Dr Juha Uitto, former Director of the Independent Evaluation Office of the Global Environment Facility (Chair); Dr Doha Abdelhamid, Independent Consultant, Egypt; and Dr Mita Marra, Associate Professor at the University of Naples, Italy. IOE held the third annual workshop for the advisory panel in October 2024, which successfully resulted in a report focused on strategies to enhance evaluation influence, and ensuring findings contribute effectively to policy and programme improvements. The report provided a set of recommendations that IOE continues to implement, and the themes will be further developed at the fourth meeting of the panel in November 2025. Panel members will meet with representatives of the Evaluation Committee, Senior Management and IOE staff.
- **Knowledge management and communication.** Between 1 June 2024 and 31 May 2025, IOE published and disseminated 12 evaluation reports, 37 news items, 35 event pages and 5 infographics. It also published three issues of Independent Magazine and three newsletters. In addition, IOE created five episodes of the 60 Seconds with the Director video series, six feature promotional videos, three live event videos and one blog post.
- **Learning events in collaboration with IFAD Management.** Pursuant to the commitment to ensuring learning as part of the evaluation process, IOE has worked in partnership with Management to organize a series of learning workshops. These have maximized engagement by bringing in diverse country stakeholders to reflect more deeply on its work. Between 1 June 2024 and 31 May 2025, IOE learning workshops included events on financing agribusinesses for micro, small and medium-sized enterprises, the thematic evaluation on gender equality in IFAD, the 2025 ARIE and the Lao People's Democratic Republic CSPE.
- **Cooperation with evaluation networks, academic institutions and think tanks.** As Chair of the Evaluation Cooperation Group (ECG) for 2025, IOE hosted and organized its spring 2025 meeting and will host the fall 2025 meeting. IOE also participated in and contributed to: the African Evaluation Association conference in June 2025 as part of its 25<sup>th</sup> anniversary, including delivering the keynote address; the Wilton Park Artificial Intelligence and

Knowledge Management in Evaluation Synthesis: Increasing impact and sustainability meeting (March 2025); the World Bank meeting on measuring long-term outcomes in March 2025; the International Research Group for Policy and Programme Evaluation (INTEVAL) 40<sup>th</sup> meeting; the Asian Development Bank Evaluation Week in May 2025; the Canadian Evaluation Society 2025 National Conference in May 2025; the ECG meeting in May 2025 on the evolving landscape of evaluation in multilateral development banks – challenges and opportunities for independent evaluation and strategic planning functions; and the AI for Good Global Summit in July 2025. In addition, IOE made substantive contributions to the academic debate through presentations at renowned institutions.

## B. 2024 and 2025 budget utilization

59. Table 1 shows IOE budget utilization in 2024 and up to June 2025, and the projected rate at year-end. In 2024, IOE utilized 99.3 per cent of its non-staff budget to implement its work programme.

Table 1  
**IOE budget utilization in 2024 and projected utilization in 2025 (as of end-June 2025)**  
(United States dollars)

	Approved budget 2024	Budget utilization 2024	Approved budget 2025	Commitment as of end-June 2025	Expected utilization as of year-end 2025
<b>Non-staff costs</b>					
Travel costs		499 776		346 772	600 000
Consultant fees		1 822 696		1 560 394	2 200 000
Evaluation outreach, staff training and other costs		199 942		135 733	189 000
<b>Subtotal</b>	<b>2 540 000</b>	<b>2 522 413</b>	<b>3 050 000</b>	<b>2 042 900</b>	<b>2 989 000</b>
<b>Non-staff budget utilization</b>		<b>99.30%</b>		<b>66.98%</b>	<b>98.00%</b>
<b>Staff costs</b>	<b>3 604 000</b>	<b>3 240 358</b>	<b>4 207 000</b>	<b>3 614 470</b>	<b>3 796 295</b>
<b>Total</b>	<b>6 144 000</b>	<b>5 762 772</b>	<b>7 257 000</b>	<b>5 657 369</b>	<b>6 785 295</b>
<b>Total budget utilization</b>		<b>93.80%</b>		<b>77.96%</b>	<b>93.50%</b>

## III.IOE 2026 work programme

### A. Proposed work programme for 2026

60. The IOE multi-year evaluation strategy helps guide the choice of evaluative work to be undertaken in 2026 and was developed following consultations with management in DCO, ODE, the Office of Technical Delivery and the Corporate Services Department. The proposed programme of work comprises 25 evaluations: 6 higher-plane evaluations, 14 CSPEs and 5 PPEs. The objectives established in the multi-year strategy 2022–2027 are to:

- (a) Contribute to forging IFAD's corporate culture as a transparent, learning-oriented and accountable organization by providing IFAD governing bodies, Management, governments and national development partners with assessments and knowledge that are critical to fulfilling the commitments made under IFAD11, IFAD12 and IFAD13;
- (b) Improve evaluation coverage and promote transformative evaluations reflecting the scale and scope of IFAD operations, ensuring methodological rigour, attention to inclusiveness and cultural responsiveness, flexibility and cost-effectiveness;
- (c) Engage with Management, Member States and external partners to support evaluation capacity and use within and outside IFAD; and
- (d) Retain and deepen IOE's position as an internationally recognized leader in the evaluation of rural development programmes, policies and strategies by further strengthening the relevance of its work, promoting innovative

approaches and the adoption of technology for evaluation and enhancing collaboration with evaluation functions in other organizations and with think tanks and universities.

61. In terms of contributing to IFAD's position as a transparent, learning-oriented and accountable organization, in 2025 IOE will complete the CLE on IFAD11 and IFAD12. This is a comprehensive institutional evaluation that assesses: (i) the evolution of IFAD's corporate strategy under IFAD11 and IFAD12, including the changes and innovations made over the path marked by the IFAD Strategic Framework 2016–2025; (ii) the available evidence on operational results achieved during the replenishment period, including under the thematic focus areas of natural resource management and climate change adaptation, gender, nutrition, youth and the targeting of vulnerable groups; (iii) the organizational structure, including the decentralization process and the recalibration initiative; and (iv) the support of IFAD's financial architecture to furthering the new strategic directions. The findings and recommendations of this CLE will help orient the IFAD14 Consultation.
62. IOE has begun an independent CLE of IFAD's human resource management and its application, to be completed in 2026. The evaluation will address both the relevance of IFAD's Human Resources Policy and its actual application and the implications for IFAD's capacity to fulfil its developmental mandate, while ensuring the workforce's well-being, diversity and inclusivity. It will also identify lessons and recommendations for improving IFAD's human resources approach and performance.
63. IOE will conduct a CLE of supplementary funding in 2026. The evaluation will be expected to inform strategic decisions on the direction of engagement for supplementary funds and their greater coherence within IFAD's strategic framework, overall trends and how they drive and/or complement the overall work of IFAD and their role in upcoming cycles, as well as monitoring and risk management arrangements. Supplementary resources are an important and growing development resource for IFAD; the level of supplementary funds mobilized in the first two years of IFAD12 (US\$718 million) showed an increase by more than 100 per cent compared to the funds mobilized in the same period of IFAD11 (US\$309 million). The CLE in 2026 will take place five years after the adoption of IFAD's Strategy for Supplementary Resources (2021), and the evaluation recommendations could feed into a new strategy.
64. IOE will continue to issue the ARIE, which will retain the ratings analysis while providing more information on the full range of IOE activities. As in the past, the ARIE will present an annual topic that reflects findings from recent evaluations. IOE will select the topics, taking into consideration the discussions with the governing bodies and IFAD Management.
65. IOE will conduct a subregional evaluation (SRE) of conflict-affected states in the Near East and North Africa, identified by both IOE and IFAD Management as a critical and pressing subject. This SRE will focus on strategic aspects of how IFAD engages and adapts in conflict-affected and fragile contexts in the region and will provide lessons applicable to IFAD engagement in similar contexts.
66. In line with IOE's commitment to increase its country coverage of IFAD operations, there are 14 CSPEs planned for 2026. These represent a total portfolio value of US\$7.4 billion, which is a 40 per cent increase from the 2025 CSPE portfolio value of US\$4.4 billion. The CSPEs are Bangladesh, Cambodia, Central African Republic, Jordan, Lebanon, Madagascar, Mozambique, Pakistan, Peru, United Republic of Tanzania, Togo, Tunisia, Uganda and Zimbabwe. The countries reflect geographic and portfolio diversity and were selected following a consultative process and consideration of key criteria including country strategic opportunities programme (COSOP) timing, evaluation coverage and portfolio size. The CSPEs for

Mozambique, Peru and Zimbabwe will commence in the second half of 2025. These will be the first ever CSPEs of Central African Republic, Lebanon, Togo and Zimbabwe.

67. In 2026, IOE will conduct two project cluster evaluations (PCEs) exploring strategic engagement areas in two regions: water management in the Near East, North Africa and Europe (NEN) region and agroecology in the Latin America and the Caribbean (LAC) region.
68. In 2026, IOE will conduct PPEs for the following five projects: in Asia and the Pacific (APR), the Promoting Agricultural Commercialization and Enterprises Project (PACE) in Bangladesh and the Odisha Particularly Vulnerable Tribal Groups Empowerment and Livelihoods Improvement Programme (OPELIP) in India; in West and Central Africa (WCA), the Project to Revitalize Crop and Livestock Production in the Savannah (PREPAS) in Central African Republic; in NEN, the Agriculture Diversification and Modernization Project (ADMP) in Uzbekistan; and in LAC, the Resilient Rural Belize Programme (Be-Resilient) in Belize.
69. Following standard practices, IOE will conduct PCRVs of the available completion reports. Ratings from the PCRVs are reported in the ARIE time series. PCRVs are also a source of evidence for country-level, subregional and thematic evaluations, to be triangulated with other sources (e.g. stakeholder interviews, field visits).
70. In terms of evaluation capacity development, IOE will continue to support the capacity of IFAD staff for self-evaluation, based on the 2022 Evaluation Manual, in collaboration with Management. The Evaluation Manual is a living document, and IOE will add new modules, such as recent work on generative artificial intelligence (AI), as needed. Based on requests from Member States, IOE is available to organize ad hoc seminars on evaluation practices and evaluation methodology, offering practical examples on how to design, report, present and use evaluations. IOE will continue to support the Global Evaluation Initiative, led by the World Bank's Independent Evaluation Group, in collaboration with the Independent Evaluation Office of the United Nations Development Programme.
71. In terms of furthering IOE's leadership role in evaluation, in 2025 IOE chaired the ECG of the multilateral development banks, hosting two meetings in Rome. In 2026, IOE plans to continue engaging with international evaluation networks and related international initiatives, including international evaluation associations and the International Research Group for Policy and Programme Evaluation (IntEVAL). Some of these activities will result in co-authorship of published articles and books. IOE will continue to contribute actively to evaluation events and discussions at the country, regional and global level. In 2025 IOE also commenced substantive engagements with EvalforEarth and the Global Sustainable Development Goal (SDG) Synthesis Coalition, from which engagement is intended to expand in 2026.
72. IOE will engage with its Evaluation Advisory Panel to help refine its methodological approaches, fine-tune the design of its evaluation products and enhance the utility of its work for IFAD's strategy and operations. To this end, the annual workshop with the Evaluation Advisory Panel will be held in 2026 at IFAD headquarters.
73. **Preparation for the third external peer review of IFAD's evaluation function.** According to the 2021 Revised IFAD Evaluation Policy, an external review of the implementation of the evaluation policy is to be conducted every seven years. The latest review (second external peer review of IFAD's evaluation function)<sup>10</sup> was completed in 2019. Subject to the approval of the Executive Board, the third external peer review of IFAD's evaluation function will be conducted in 2026 (data collection, analysis and reporting) but preparatory activities (identification of the review panel members, agreement on the key areas of analysis, development of the approach paper, consultation with IFAD's governing

<sup>10</sup> The first peer review of the evaluation function by IFAD was conducted in 2012, led by ECG.

bodies and self-assessments) will be initiated in the second part of 2025. The panel members have been identified and presented to the Evaluation Committee at its 129<sup>th</sup> session in June 2025 and include senior-level representatives from the prominent international evaluation networks in which IOE is engaged: ECG (the panel chair), the United Nations Evaluation Group and the Evaluation Network of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC). The scope of the review will include both the independent and self-evaluation functions of IFAD. This is particularly important because the 2021 evaluation policy covers both independent and self-evaluation. IOE and Management will interact regarding their respective responsibility (independent and self-evaluation parts of the peer review).

74. The proposed list of IOE evaluation activities for 2026 is presented in annex II and the indicative plan for 2027–2028 appears in annex III.

## IV. 2026 resource envelope

### A. Staff resources

75. In 2026, IOE proposes a small increase to its staff complement, pending Executive Board approval, in line with the expected workload (table 2). IOE evaluations are led by IOE staff, who design the evaluation approach, conduct data collection in collaboration with a team of specialists, and are in charge of report writing, presentation, finalization and dissemination of findings and recommendations to IFAD's governing bodies, Management, counterpart governments and other stakeholders. This ensures consistently high-quality evaluation processes and documents and helps preserve knowledge and historical memory. Staff leadership of evaluation is a common model adopted by independent evaluation departments of international financial institutions and is more cost-effective than the contracting model commonly used in international agencies.

76. In line with trends in recent years, Management's demand for evaluations is high and CLEs and CSPEs have been particularly in demand. IOE is committed to ensure discipline in the use of its human and financial resources and does not envisage a significant increase in its budget. For this reason, it is selective in formulating the work programme proposed in this document and has consulted systematically with the relevant divisions of DCO and ODE, as well as with Senior Management.

77. In collaboration with the Planning, Organizational Development and Budget Division (POB), IOE elaborates specific estimates of its standard staffing costs, which are different than the standard IFAD staffing costs because IOE staff are all located at headquarters and do not receive the allowances and entitlements that apply to international staff posted in country offices.

Table 2  
**Staffing in 2025 and proposed staffing in 2026**

Category	2025	2026 (proposed)
<b>Professional staff</b>		
Director	1	1
Deputy Director	1	1
Lead evaluation officers	3	3
Senior evaluation officers	6	6
Senior evaluation knowledge and communication officer	1	1
Evaluation officers	5	6
Evaluation research analyst	2	2
<b>Subtotal - Professional staff</b>	<b>19</b>	<b>20</b>
<b>General Service staff</b>		
Administrative associate	1	1
Associate to Director	1	1
Assistant to Deputy Director	1	1
Evaluation assistants	5	5
<b>Subtotal - General Service staff</b>	<b>8</b>	<b>8</b>
<b>Grand total</b>	<b>27</b>	<b>28</b>

## B. Budget requirements

78. Table 3 presents the proposed budget by type of activity, and table 4 by strategic objective. Table 5 contains the IOE gender-sensitive budget, which indicates the budget distribution for gender-related activities.

79. **Assumptions.** The parameters used to develop the current proposed 2026 budget are as follows: (i) IOE staff costs are provisionally estimated at a higher level as for 2025, and revised estimates have been prepared in collaboration with POB in September 2025; (ii) inflation will be absorbed insofar as possible; and (iii) the US\$:EUR exchange rate follows IFAD assumptions.

Table 3  
Proposed budget for 2026 by type of activity and comparison with previous budgets

Type of activity	Approved 2023 budget (US\$)	Approved 2024 budget (US\$)	Approved 2025 budget (US\$)	Proposed 2026 budget (US\$)	Absolute number 2025	Absolute number 2026
<b>Non-staff costs</b>						
ARIE, CLEs, thematic evaluations, evaluation syntheses and corporate-level reviews	625 000	630 000	574 000	575 000	4	4
SREs and CSPEs	975 000	1 080 000	1 605 000	1 760 000	9	15
Project-level evaluations (PCEs, PPEs, PCRVs and impact evaluations)	360 000	320 000	350 000	510 000*	40	40**
Knowledge-sharing, publications, communication, evaluation outreach and partnership activities	290 000	280 000	280 250	373 750		
Evaluation capacity development, training and other costs	220 000	210 000	220 750	216 250		
Buffer for unforeseen evaluation work	20 000	20 000	20 000	20 000		
<b>Total non-staff costs</b>	<b>2 490 000</b>	<b>2 540 000</b>	<b>3 050 000</b>	<b>3 455 000</b>		
<b>Staff costs</b>	<b>3 481 000</b>	<b>3 604 000</b>	<b>4 207 000</b>	<b>4 455 000</b>		
<b>Total budget</b>	<b>5 971 000</b>	<b>6 144 000</b>	<b>7 257 000</b>	<b>7 910 000</b>		

\* The increase in budget for project-level evaluations is due to two project cluster evaluations in 2026.

\*\* This number is indicative, as the number of PCRVs depends on the number of PCRs that IOE receives each year. The actual number of PCRVs conducted may differ.

80. **Budget by divisional goals.** Table 4 shows the allocation of IOE's total proposed budget for 2026, including both staffing and non-staffing costs, against IOE's strategic objectives.

Table 4  
Proposed 2026 budget allocation by strategic objective

Strategic objective	Budget	% of total budget
Contribute to forging IFAD's corporate culture as a <b>transparent, learning-oriented and accountable organization</b> by providing IFAD governing bodies, Management, governments and national development partners with assessments and knowledge that are critical to fulfilling the commitments made under IFAD11, IFAD12 and IFAD13	2 135 700	27
Improve evaluation <b>coverage</b> and promote transformative evaluations reflecting the scale and scope of IFAD operations and ensuring methodological rigour, attention to inclusiveness and cultural responsiveness, flexibility and cost-effectiveness	4 192 300	53
Engage with Management, Member States and external partners to support <b>evaluation capacity</b> and use within and outside IFAD	870 100	11
Retain and deepen IOE's position as an <b>internationally recognized leader</b> in the evaluation of rural development programmes, policies and strategies, by further strengthening the relevance of its work, promoting innovative approaches and the adoption of technology for evaluation, and enhancing collaboration with evaluation functions in other organizations and with think tanks and universities	711 900	9
<b>Total</b>	<b>7 910 000</b>	<b>100</b>

Note: Percentages are rounded up.

81. **Gender-sensitive budget.** IOE evaluations placed a strong emphasis on examining gender-related issues in IFAD operations. The central transformative principle of the 2030 Agenda for Sustainable Development, "Leave No One Behind," is reflected in the 2022 Evaluation Manual and IOE's multi-year strategy. IOE thus conducts a thorough review of gender equality in its evaluations (including the issue of transformational change and intersectionality). The estimates presented in table 5 are based on historical figures on the time dedicated by IOE staff to assessing operational outcomes on gender equality and women's empowerment, as well as budget used for data collection analysis, presentation and sharing of findings with the stakeholders. The estimates also include IOE's contribution to IFAD's working groups on gender equality and to United Nations-supported initiatives such as the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women (UN-SWAP), a system-wide accountability framework that reviews progress towards the achievement of gender equality and the empowerment of women.<sup>11</sup>

Table 5  
**IOE 2026 gender-sensitive budget**

Type of activity	Proposed 2026 budget	Gender component (percentage)	Gender component (US\$)
<b>Non-staff costs</b>			
ARIE, CLEs, thematic evaluations, evaluation syntheses and corporate-level reviews, including UN-SWAP	575 000	14	80 500
SREs and CSPEs	1760 000	14	246 400
Project-level evaluations (PCEs, PPEs, PCRVs and impact evaluations)	510 000	13	66 300
Knowledge-sharing, publications, communication, evaluation outreach and partnership activities	373 750	10	37 375
Evaluation capacity development, training and other costs	216 250	10	21 625
Buffer for unforeseen evaluation work	20 000	10	2 000
<b>Subtotal non-staff costs</b>	<b>3 455 000</b>	<b>13.1</b>	<b>454 200</b>
<b>Staff costs</b>			
Gender focal point and alternate gender focal point*	484 000	16	77 440
Other evaluation staff members (Professional and directorate)	3 122 000	11	343 420
Other evaluation staff members (General Service)	704 000	4	28 160
<b>Subtotal staff costs</b>	<b>4 310 000**</b>	<b>10.4</b>	<b>449 020</b>
<b>Total</b>	<b>7 765 000</b>	<b>11.6</b>	<b>903 220</b>

\* Assuming the collaboration of one P-4 and two P-3 staff members.

\*\* Staff costs in table 5 do not contain the buffer built into the staff cost figure in table 3.

## **V. IOE budget proposal and considerations for the future**

82. **Current proposal.** The total proposed 2026 budget is US\$7.91 million, which is slightly higher than the approved budget for 2025 (US\$7.257 million). The proposed budget responds to the increase in total evaluation deliverables. IOE has produced a 140 per cent increase in the number of CSPEs from 2024 to 2025 (from 5 to 12 in absolute numbers) with a budget increase of only 18 per cent, representing significant efficiencies and value for money. In 2026, the increase from 2024 will be 180 per cent, and 330 per cent since 2021. The additional resources represent a right-sizing of the budget vis-à-vis the increased programme of work in response to higher demand for CSPEs.

<sup>11</sup> <https://gendercoordinationandmainstreaming.unwomen.org/un-swap>.

83. IOE's budget as a percentage of IFAD's administrative budget has declined over the past decade (figure 2), thanks to efficiency gains (e.g. rationalizing the conduct of missions, optimizing the use of remote interviews, conducting virtual workshops at the conclusion of CSPEs, prioritizing attendance of international events). The main data collection missions are conducted in person.

Figure 1  
**IOE budget (2010–2026)**  
 (Millions of United States dollars)

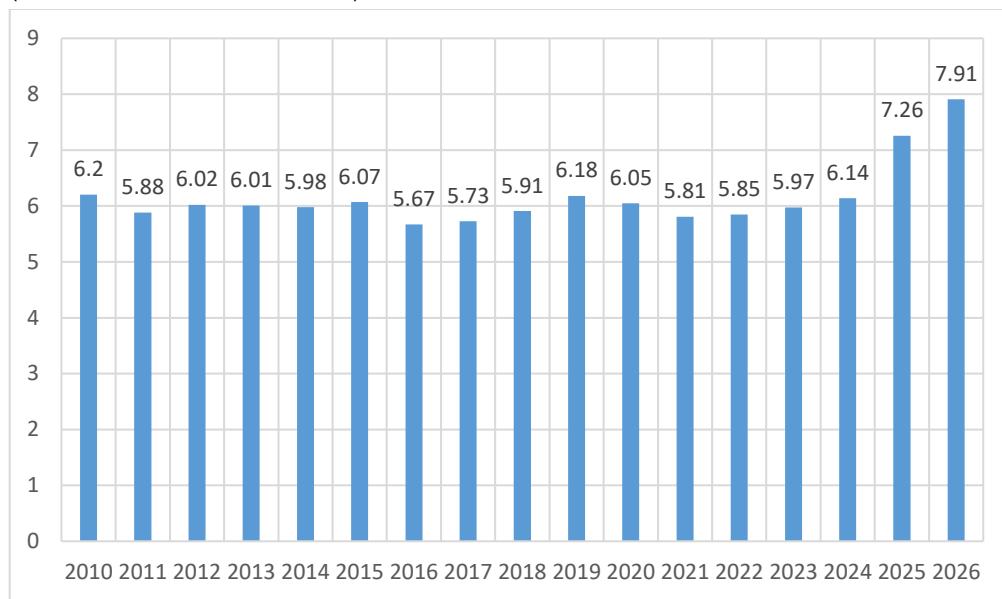
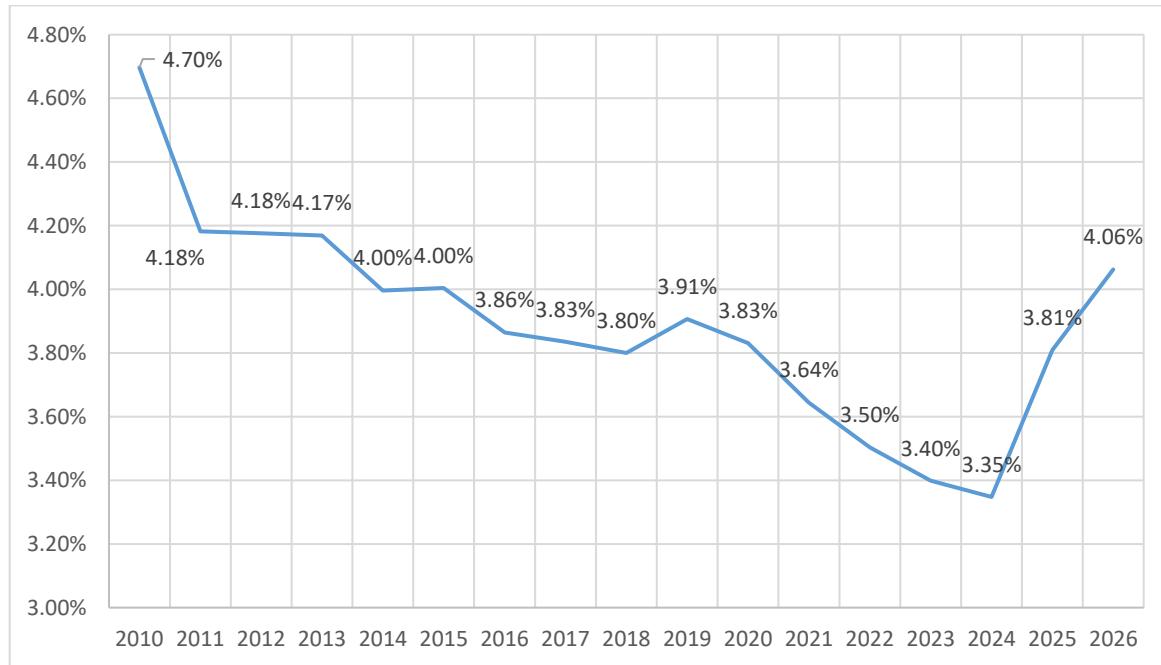


Figure 2  
**IOE budget as a percentage of IFAD's regular administrative budget (2010–2026)**



84. IOE's budget cap is fixed at 0.90 per cent of IFAD's programme of loans and grants (PoLG). As decided by the Executive Board at its 131<sup>st</sup> session, the ratio of the budget to the average PoLG, as a percentage, is calculated over the three years of a given replenishment period. At the time of preparation of this document, the expected total size of the PoLG for the IFAD13 period (2025–2027) was US\$3.405 billion. When spread over three years, this comes to US\$1.135 billion

annually. Thus, IOE's proposed budget of US\$7.91 million represents approximately 0.70 per cent of IFAD's PoLG, well below the cap. Revised estimates will be included in the next iteration of this document to be presented to the Evaluation Committee in September 2025 and then to the Audit Committee and Executive Board in November and December 2025, respectively.

85. IFAD's budget rules allow for a limited carry-forward of the IFAD administrative budget and IOE budget from one year to next. IOE's level of carry-forward will reflect the agreement made for IFAD's administrative budget, and its utilization will be in line with the relevant organizational guidelines.

## Part three – Special expenditure budget for IFAD14

86. Following the Executive Board approval of the submission to the forty-ninth session of the Governing Council of the proposal on the establishment of the Consultation on the Fourteenth Replenishment of IFAD's Resources,<sup>12</sup> in line with Governing Council resolution 181/XXXVII, the Executive Board is requested to approve the appropriation for the replenishment special expenditure budget for the IFAD14 Consultation.

87. For the IFAD14 Consultation, it is proposed that the budget be maintained at the same level as for IFAD13, adjusted for inflation. The proposed amount is US\$1.20 million, which will be used to cover the costs of the replenishment exercise, including the external chair, the replenishment sessions and the preparation of replenishment documents.

Table 12  
**Estimated special expenditure budget for the IFAD14 replenishment exercise**  
(Millions of United States dollars)

<i>Description</i>	<i>IFAD13 approved</i>	<i>IFAD13 forecast</i>	<i>IFAD14 proposed</i>
Language services and conference-related costs	0.41	0.29	0.37
Temporary staff costs	0.14	0.17	0.23
Administration costs	0.10	0.12	0.14
Consultancy and travel costs (including external chair)	0.41	0.51	0.35
Midterm review	0.10	0.08	0.10
Contingency/miscellaneous	0.01		0.01
<b>Total</b>	<b>1.17</b>	<b>1.17</b>	<b>1.20</b>

<sup>12</sup> Contained in document [EB 2025/145/R.23/Rev.1](#).

## Part four– Enhanced Heavily Indebted Poor Countries Initiative progress report for 2025

### I. Introduction

88. The objective of this progress report as at 30 September 2025 is to:

- Inform the Executive Board of the status of implementation of the enhanced Heavily Indebted Poor Countries (HIPC) Initiative and of IFAD's participation in the initiative; and
- Seek Executive Board approval for submitting the substance of this progress report to the Governing Council at its forthcoming session for information.

### II. Background

89. The HIPC Initiative was established in 1996 as a joint collaboration between the World Bank and the International Monetary Fund (IMF) and other multilateral institutions, including IFAD, with the aim of providing debt assistance to eligible developing countries. The HIPC Initiative does not affect the preferred creditor status of participating institutions. Neither is it seen as a mechanism to settle arrears, and indeed one of the preconditions for a country's eligibility to become a beneficiary of the HIPC Initiative is not having arrears. A percentage of debt is forgiven, on a pay-as-you-go basis, by all participating lenders following satisfactory economic performance/reforms.<sup>13</sup>

90. The Governing Council, at its twentieth session held in February 1997, approved IFAD's participation in the IMF and World Bank Debt Initiative for Heavily Indebted Poor Countries as an element of IFAD's broader policy framework for managing operational partnerships with countries that have arrears with IFAD, or that face the risk of having arrears in the future because of their debt-service burden (see EB 96/59/R.73 and GC 20/L.6, resolution 101/XX). The Governing Council delegated authority to the Executive Board to approve, on a country-by-country basis, the debt relief required from IFAD as part of the overall HIPC Initiative effort to reduce a country's debt to a sustainable level.

91. In February 1998 IFAD established a HIPC Trust Fund to receive resources to fund the HIPC Initiative, specifically dedicated as compensation to the loan-fund account(s) for agreed reductions in loan repayments under the initiative. Contributions may be denoted either for the relief of debt of specific countries, or for the general relief of those countries included in the HIPC programme. In 2006, to mitigate the impact of debt relief on resources available for commitment to new loans and grants, Member States supported IFAD's formal access to the HIPC Trust Fund administered by the World Bank (subsequently renamed the Debt Relief Trust Fund [DRTF]). Since then, two thirds of HIPC debt relief has been funded by the DRTF.

92. HIPC debt relief is provided upon reaching certain milestones, which are closely monitored by the World Bank and IMF:

- **Pre-decision point:** Countries are monitored by IMF and the World Bank to determine arrears settled or going to be settled, as well as for indications of macroeconomic reforms.
- **Decision point:** The World Bank and IMF review macroeconomic conditions in the country and, if satisfactory, declare the decision point to have been reached, upon which debt relief is quantified. A number of assumptions such

---

<sup>13</sup> The enhanced HIPC Initiative was adopted by the World Bank and IMF in the fall of 1999 to accelerate the delivery of HIPC Initiative assistance and link debt relief more firmly and transparently to poverty reduction. At the same time, the enhancements more than doubled the projected amount of relief to be provided under the original initiative.

as the discount factor or common reduction factor are defined at decision point.

- **Interim debt relief:** In some cases, as endorsed by the World Bank and IMF, interim debt relief is provided on debt service falling due in the period between the HIPC decision and completion points.
- **Completion point:** Debt relief is provided.

93. Debt relief is provided through the reduction by up to 100 per cent of the respective country's semi-annual debt-service obligations to IFAD (principal, service charges and interest payments), as these fall due, up to the aggregate net present value amount approved.

### **III. Progress in the implementation of the HIPC Initiative**

#### **Completion point countries**

94. Progress has been made in the implementation of HIPC since the initiative's inception. Approximately 95 per cent of eligible countries (36 out of 38) have reached completion point, thereby benefiting from HIPC assistance (see table 1 below). Completion point countries are entitled to debt relief for an amount of about US\$532.1 million. As at 30 September 2025, debt relief already provided amounted to US\$525.5 million,<sup>14</sup> with a remaining balance of approximately US\$6.5 million in debt relief to be provided to completion point countries in future periods.

95. The above completion point balances also include debt relief provided to Somalia for SDR 13.8 million. As reported in 2024, Somalia's long-outstanding loan arrears have been fully cleared thanks to the HIPC debt relief and the support from several countries, which provided contributions for arrear clearance (Belgium EUR 2.5 million, Italy EUR 0.5 million, Sweden SEK 10.0 million, and Germany EUR 6.0 million).

#### **Decision point countries**

##### **Sudan**

96. The IMF and IDA executive boards have agreed to support a comprehensive debt-reduction package for Sudan under the enhanced HIPC Initiative. In April 2022, at its 135<sup>th</sup> session, the IFAD Executive Board approved the decision point. At completion point, Sudan will be entitled to HIPC debt relief for an amount of SDR 72.4 million in nominal terms.<sup>15</sup> Sudan has accumulated some arrears in the repayment of loan installments. Completion point conditions are closely monitored by the IMF and World Bank and are subject to the implementation of the rural poverty reduction strategy.

#### **Pre-decision point countries**

97. As at 30 September 2025, Eritrea was still at the pre-decision point stage and has yet to start the process of qualifying for debt relief under the initiative. Debt relief is projected at approximately SDR 15.3 million. The main debt relief assumptions and conditions have yet to be confirmed by the World Bank and IMF.

98. The table below provides an illustrative summary of countries participating in the enhanced HIPC Initiative by stage.

---

<sup>14</sup> This balance is inclusive of debt relief provided to Somalia for an amount of SDR 13.8 million.

<sup>15</sup> Sudan debt relief is projected at SDR 65.3 million in net present value terms. Completion point conditions are monitored by the DRTF. The IFAD Executive Board has not approved interim debt relief.

Table 1  
**Member States participating in the enhanced HIPC Initiative, by stage**

<i>Completion point countries (36)</i>	<i>Decision point countries (1)</i>	<i>Pre-decision point countries (1)</i>
Benin	Sudan	Eritrea
Bolivia (Plurinational State of)		
Burkina Faso		
Burundi		
Cameroon		
Central African Republic		
Chad		
Comoros		
Congo		
Côte d'Ivoire		
Democratic Republic of the Congo		
Ethiopia		
Gambia (The)		
Ghana		
Guinea		
Guinea-Bissau		
Guyana		
Haiti		
Honduras		
Liberia		
Madagascar		
Malawi		
Mali		
Mauritania		
Mozambique		
Nicaragua		
Niger		
Rwanda		
Sao Tome and Principe		
Senegal		
Sierra Leone		
Somalia		
Togo		
Uganda		
United Republic of Tanzania		
Zambia		

#### **IV. Total IFAD commitments to the HIPC Initiative**

99. The Fund's participation in the overall enhanced HIPC Initiative corresponds to US\$652.5 million, including future debt relief entitlements, as indicated in table 2 below. The actual amount may vary from the current estimates depending on changes in economic conditions, HIPC discount rates and potential delays in the remaining countries reaching the decision and completion points.

Table 2

**HIPC commitments**

(Millions of SDR and millions of United States dollars)

	<i>NPV</i>		<i>Nominal</i>	
	<i>SDR</i>	<i>US\$*</i>	<i>SDR</i>	<i>US\$*</i>
Completion point countries ( <i>approved</i> )	259.3	355.7	388.0	532.1
Decision point countries	65.3	89.6	72.4	99.2
Pre-decision point countries	13.8	19.0	15.3	21.2
<b>Total</b>	<b>338.5</b>	<b>464.2</b>	<b>475.7</b>	<b>652.5</b>

\* Exchange rate prevailing on 30 September 2025 of 1.37146

100. As at 30 September 2025, the Fund had provided debt relief amounting to US\$525.5 million to eligible countries at completion point, while future debt relief already approved for completion point countries is equivalent to US\$6.5 million. It

should be noted that IFAD future commitments, including cases yet to be approved, will amount to US\$126.9 million, as shown in table 3 below.

Table 3

**HIPC debt relief for completion point countries**  
(Millions of SDR and millions of United States dollars)

		Nominal	
		SDR	US\$*
<b>Debt relief provided</b>			
Completion point countries		383.2	525.5
<b>Subtotal - debt relief provided</b>		<b>383.2</b>	<b>525.5</b>
<b>Future debt relief</b>			
Completion point countries	<i>Approved</i>	4.8	6.5
Decision point countries	<i>Approved</i>	72.4	99.2
Pre-decision point countries	<i>To be approved</i>	15.3	21.2
<b>Subtotal - future debt relief</b>		<b>92.5</b>	<b>126.9</b>
<b>Total</b>		<b>475.7</b>	<b>652.5</b>

\* Exchange rate prevailing on 30 September 2025 of 1.37146

## V. Financing IFAD HIPC debt relief<sup>16</sup>

101. IFAD has funded its participation in the HIPC Initiative with external contributions (either paid directly to IFAD or transferred through the DRTF) and its own resources from 1998 to 2025<sup>17</sup> as follows:
  - External contributions<sup>18</sup> paid, amounting to about US\$301.5 million (52.9 per cent);
  - Contributions from IFAD's own resources, amounting to about US\$260.3 million (45.6 per cent); and
  - Investment income from the IFAD HIPC Trust Fund, amounting to approximately US\$8.5 million.
102. To mitigate the impact of debt relief on resources available for commitment for new loans and grants, Member States have supported IFAD's formal access to the DRTF administered by the World Bank. As agreed in 2006, and in accordance with the enhanced HIPC Initiative procedures, two thirds of HIPC entitlements are compensated by the DRTF, while the remaining portion is funded by IFAD resources, which may include additional contributions from Member States. Since 2006 IFAD has signed several grant agreements, bringing the total received to date to US\$301.5 million to cover completion point debt relief, while giving priority to ensuring that the IFAD HIPC Trust Fund is adequately financed.
103. Management continues to encourage Member States to provide additional resources to help finance IFAD's participation in the HIPC Initiative.

<sup>16</sup> Contributions balances calculated in United States dollars at historical exchange rates

<sup>17</sup> Resources pertain to funding for HIPC debt relief entitlements for completion point countries and interim debt relief.

<sup>18</sup> External contributions include contributions from Member States in the amount of US\$71.5 million and contributions from the DRTF in the amount of US\$230.0 million.

## Part five – Progress report on implementation of the performance-based allocation system, the Borrowed Resource Access Mechanism and the IFAD Graduation Policy

### I. Implementation of the PBAS and BRAM in IFAD13 (2025–2027)

104. **Background.** In December 2024, Management shared with the Executive Board the list of countries identified to access core and borrowed resources through IFAD-financed sovereign operations in IFAD13. It also shared the individual country allocations deriving from the application of the PBAS formula to core resources, and indicative amounts of borrowed resources that eligible countries could access based on demand through the BRAM. In addition, Management shared the country distribution of core climate top-ups (CCTUs). These top-ups constitute IFAD's new core resource financing mechanism for climate activities (also distributed through the PBAS) and are funded through core additional climate contributions.<sup>19</sup>

105. The following sections outline the progress made to date<sup>20</sup> in delivering IFAD13 resources for sovereign operations (PBAS allocations, CCTUs and BRAM resources) in terms of both operations approved and the pipeline of operations for the cycle. Given that the IFAD13 cycle is at a very early stage, some elements of the pipeline information are still fluid as operational design processes are evolving and in-country situations change. These elements of the pipeline will firm up as the cycle evolves. At the end of the cycle, a complete overview of IFAD13 delivery will be included in the progress report presented to the Executive Board in December 2027.

106. **IFAD13 country list.** In 2024, IFAD identified 80 countries as being eligible to access resources: 22 low-income countries (LICs), 39 lower-middle-income countries (LMICs) and 19 upper-middle-income countries (UMICs). In 2025, IFAD requested official confirmation from country partners regarding their intention to access IFAD13 resources. This was done through official letters indicating the sources of funding for which they were eligible (core and/or BRAM) and related volume of resources. All countries responded positively on their intention to absorb IFAD core resources. All but four BRAM-eligible countries opted to access the BRAM. At the same time, 21 countries requested additional resources: four LICs and LMICs requested an additional US\$186 million in PBAS resources, and 17 (comprising LICs, LMICs and UMICs) requested an additional US\$400 million in BRAM resources.

107. **IFAD13 reallocations.** To optimize the delivery of IFAD resources, and in line with standard operating practice, Management undertook two reallocations in 2025, for a total of US\$119.6 million. In doing so, and to safeguard the financial sustainability of the Fund, the distribution of core resources within the IFAD13 programme of loans and grants (PoLG) has shifted somewhat compared to the beginning of the cycle (see table 1). The resources reallocated include: (i) BRAM resources tentatively made available to Bangladesh, Bhutan, Fiji and Kyrgyzstan, which they decided not to absorb; and (ii) the PBAS/climate top-up allocation for Ghana and Sudan (core resource loans and Debt Sustainability Framework [DSF] grants respectively). These resources have been reallocated to countries that expressed additional demand and were ready to absorb additional resources early in the cycle; these are Bangladesh, Botswana, Costa Rica, Rwanda, United Republic of Tanzania and Türkiye. This brings the share of PoLG resources accessed by UMICs to 16 per cent, well within the 11 to 20 per cent range set in the IFAD

<sup>19</sup> GC 47/L.5, annex VII.

<sup>20</sup> 3 October 2025.

Graduation Policy.<sup>21</sup> The number of countries that are expected to access IFAD resources in IFAD13 currently stands at 78, as opposed to 80 at the beginning of the cycle.

108. **Pipeline management.** To optimize the use of resources, IFAD has set the end of June 2026 as the date by which all countries who have confirmed demand for IFAD resources shall have a concept note approved by IFAD's Operational Strategy and Policy Guidance Committee. This is expected to allow IFAD country teams and country counterparts sufficient time to work together on project design and ensure that sovereign operations aiming to be financed with IFAD13 resources are approved by December 2027 at the latest. Should this not materialize, Management may divert resources to countries that have officially expressed additional demand based on IFAD's country engagement, performance of the portfolio in the country, and other relevant factors to facilitate the optimal utilization of resources and ensure sound processes and budgetary planning.

Table 1  
**IFAD13 PoLG volume and composition**  
(Millions of United States dollars)

Type of resources	IFAD13 initial	IFAD13 current
DSF (including CCTUs)	455	408
PBAS loans (including CCTUs)	1 928	1 975
BRAM	857	857
<b>Total resources for sovereign operations</b>	<b>3 240</b>	<b>3 240</b>
Other	165	165
<b>Total PoLG</b>	<b>3 405</b>	<b>3 405</b>

109. **Programming of IFAD core resources (i.e. PBAS and CCTUs for loans and grants) and BRAM resources.** At the time of writing,<sup>22</sup> the bulk of IFAD13 resources (95 per cent) have already been programmed. As shown in table 2, this is the case for both core and borrowed resources. Programmed resources include 2025 approvals to date as well as investment projects in the operational pipeline for 2025, 2026 and 2027. Only 5 per cent of available resources have still to be programmed and strong additional demand exists, as mentioned in paragraph 4. Management is closely monitoring pipeline planning and is confident that the full volume of resources available will be programmed by cycle-end.

Table 2  
**Delivery and programming of IFAD13 resources for sovereign operations at Q3 2025**  
(Millions of United States dollars)

Type of resources	Core and borrowed resources for SOs	Unprogrammed		(%)
		Approved	Programmed	
DSF (including CCTUs)	408	93	284	8
PBAS loans (including CCTUs)	1 975	198	1 711	3
BRAM	857	43	743	8
<b>Total</b>	<b>3 240</b>	<b>334</b>	<b>2 738</b>	<b>5</b>

110. **Core climate top-ups implementation in IFAD13.** CCTUs financed through additional climate contributions (ACCs)<sup>23</sup> form part of PBAS allocations to LICs and LMICs, therefore their programming and delivery are reflected in the status of resource programming described in the sections above. However, since CCTUs are being implemented for the first time in IFAD13, Management is paying special

<sup>21</sup> EB 2021/133/R.5, paragraph 5: "UMICs are expected to receive at least 11 per cent and up to 20 per cent of the agreed IFAD programme of loans and grants (PoLG). The precise lending volume and share of IFAD's PoLG will only be known at the end of the IFAD12 cycle, but progress will be reported regularly to the Executive Board."

<sup>22</sup> 3 October 2025.

<sup>23</sup> In IFAD13, IFAD launched core ACCs as a new form of voluntary additional contribution to the Fund's core resources. ACCs embed climate activities into IFAD's project design and implementation from the start, boosting efficiency and impact; leverage IFAD's financial architecture to expand both the PoLG and climate finance through its multiplier effect; and offer Member States the opportunity to make climate-dedicated contributions during replenishments. ACCs are operationalized at country level through core climate top ups. GC 47/L.5, annex VII.

attention to monitoring their delivery. CCTUs aim to boost predictability and ex ante integration of climate finance within IFAD's regular programmes in the form of climate top-ups allocated through the PBAS formula and approach. They exclusively finance climate activities, which are classified according to the methodologies used by the multilateral development banks (MDBs), and are made available to countries on their usual lending terms and financing conditions, including countries eligible for grant financing under the DSF. CCTUs support activities that directly contribute to climate adaptation and/or climate mitigation and are eligible to be reported as 100 per cent climate finance according to the MDBs' methodologies. The climate finance provided by the CCTUs will be over and above the 45 per cent of the PoLG climate finance target that IFAD has committed to deliver in IFAD13.<sup>24</sup>

111. The programming of climate top-ups so far has been smooth and has followed the MDBs' methodologies for climate finance tracking, which ensures 100 per cent utilization for climate-focused activities. A guidance note that was produced jointly by the Office of Development Effectiveness and the Environment, Climate, Gender and Social Inclusion Division has helped project delivery teams better understand how to embed climate top-ups into project designs. At Q3 2025, collectively, 9 out of the 11 projects approved in 2025 include US\$10.59 million in climate top-ups. The top-ups are distributed to: 2 countries in Asia and the Pacific, 4 countries in East and Southern Africa, 1 country in Latin America and the Caribbean, 1 country in Near East, North Africa and Europe and 1 country in West and Central Africa. At the time of writing, the pipeline shows that 15 out of the 25 projects that are currently in the pipeline and are fully designed include an additional US\$17.174 million in climate top-ups. Once all projects are approved, the full amount of CCTUs delivered will reach US\$27.769 million. The remaining CCTU resources are being programmed as part of the pipeline (see para. 6) and Management is confident of their full delivery by cycle-end.
112. **IFAD13 commitments.** During the IFAD13 Consultation, several commitments were made as regards the allocation of the Fund's resources. Using the agreed parameters for country selection, a total of 80 countries were selected to enter the IFAD13 cycle. These include 22 low-income countries (LICs), 39 lower-middle-income countries (LMICs), and 19 upper-middle-income countries (UMICs).
113. **PBAS, BRAM and core additional climate contributions (core ACCs).** In IFAD13, the PBAS and BRAM remain the two key resource distribution mechanisms for public sector lending. In 2024, the PBAS was used to define country allocations associated with core resources for LICs and LMICs, while resources accessed through BRAM were made available to eligible LICs, LMICs and UMICs. In addition, for the first time, in IFAD13, IFAD also launched core ACCs, a new form of voluntary additional contributions to the Fund's core resources. This funding was distributed using the PBAS formula and approach. PBAS-eligible countries, as well as eligible Small Island Developing States, may benefit from climate top-ups.
114. **IFAD13 commitments on resource distribution.** For IFAD13, IFAD has committed to continue allocating 100 per cent of core resources to LICs and LMICs. Commitments were also made on the share of core resources to be allocated through the PBAS to various country groupings, to maximize resources to those most in need:
  - (a) **Monitorable action 10:** Allocate at least 30 per cent of core resources to countries with fragile situations (based on the 2024 World Bank list of countries with fragile and conflict-affected situations).
  - (b) **Monitorable action 28:** Increase the share of core resources allocated to LICs to 45 per cent. Continue to allocate 100 per cent of core resources to LICs and LMICs, aim to allocate 60 per cent to Africa, and 55 per cent to sub-Saharan Africa,

---

<sup>24</sup> GC 47/L.5.

while also ensuring that UMICs can access between 11 and 20 per cent of the IFAD13 PoLG through the use of borrowed resources.

115. As reported in the 2024 progress report, all commitments related to the distribution of core resources have already been met. Performance against the target for the commitment related to UMICs' access to resources will be reported at the end of the cycle. The addendum to this progress report provides details on the status of actual and planned delivery of core and borrowed resources for the first year of the IFAD13 cycle.
116. **Country lending terms for 2026.** The lending terms and financing conditions provided to borrowers are determined in accordance with the Policies and Criteria for IFAD Financing<sup>25</sup> and the Framework on Financing Conditions,<sup>26</sup> primarily based on two criteria: (i) the borrower's GNIpc as calculated by the World Bank Atlas methodology; and (ii) an assessment by the President of IFAD, taking into account the country's creditworthiness.

## II. Implementation of the IFAD Graduation Policy

### A. Introduction

117. The Executive Board approved the IFAD Graduation Policy<sup>27</sup> in September 2021. The policy is guided by the principle of universality and IFAD's mandate to serve its developing Member States, while focusing on poor, food-insecure and vulnerable rural people. Graduation is firmly based on a process of consensus-building and consultation with Member States and is guided by criteria established in the policy and agreed targets to ensure full transparency. The policy comprises four pillars and provides clarity on the distribution of IFAD's financial resources (pillar 1) and the financing conditions and pricing of borrowed IFAD resources (pillar 2). Pillars 3 and 4 articulate in detail the criteria and process, and address situations of possible reversal of the socioeconomic development of an IFAD Member State.
118. As envisaged in the policy, Management has reported annually on implementation progress. The first annual update was presented as part of the results-based programme of work submitted to the Executive Board in December 2022,<sup>28</sup> followed by reports presented in 2023 and 2024. Additionally, a progress report was presented to the Governing Council in February 2023 and the IFAD13 Consultation on 2 November 2023.<sup>29</sup> The present report constitutes the fourth annual update on the policy's implementation and will also be included in the results-based programme of work and budget document that will be shared with the Governing Council in February 2026.
119. This update is structured as follows: sections B and C summarize the implementation status of the policy by pillar and section D provides a qualitative summary of the implementation progress of the four COSOPs approved in 2024. Reporting against progress towards the quantitative indicators included in these COSOP assessment frameworks may be possible only after the midterm of the COSOP when COSOP results reviews take place. This timeframe takes into account the fact that certain key data needed for countries' socioeconomic analysis and the COSOPs' assessment framework are updated every three years (once per replenishment cycle).<sup>30</sup> For this reason, and in alignment with the provisions of IFAD's Graduation Policy, countries' progress towards the criteria to graduate from IFAD's financial support will be assessed at COSOP completion.<sup>31</sup>

---

<sup>25</sup> [Policies and Criteria for IFAD Financing](#).

<sup>26</sup> [Framework on IFAD Financing Conditions](#).

<sup>27</sup> EB 2021/133/R.5.

<sup>28</sup> EB 2022/137/R.3/Add.1/Rev.2.

<sup>29</sup> IFAD13/3/INF.2/Rev.1.

<sup>30</sup> This is the case for the IFAD vulnerability index included in the socioeconomic analysis, and the rural sector performance assessment included in the COSOP assessment framework.

<sup>31</sup> EB 2021/133/R.5, para. 15.

## B. Implementation status by pillar

### Pillar 1. Distribution of IFAD's financial resources

120. As per the policy, IFAD's core resources are fully allocated to LICs and LMICs, with lending to UMICs funded from borrowed resources managed under the BRAM. In line with the provisions of the policy, UMICs access between 11 and 20 per cent of the overall PoLG within a given replenishment cycle. In IFAD12, 15 per cent of the PoLG resources were made available to UMICs through the BRAM. As reported in 2024, actual absorption at the end of the cycle stood at 12 per cent of PoLG resources.<sup>32</sup> Currently, UMICs are expected to access 16 per cent of IFAD13 PoLG resources compared to the initial 15 per cent tentatively made available at the beginning of the cycle. IFAD Management will report on actual absorption at the end of IFAD13, at the December 2027 session, through the dedicated sections within this addendum.<sup>33</sup>

### Pillar 2. Financing conditions and pricing of borrowed resources

121. As per pillar 2 of the policy, IFAD's financing conditions and pricing are set to ensure that IFAD recovers the cost of borrowing and differentiates among countries in different income groups, while remaining competitive with regard to countries' other sources of development financing. This differentiation in the financing terms is reflected in different elements of pricing, with tailored maturity periods, grace periods and maturity premiums. The latest updates on ordinary loan pricing<sup>34</sup> and the revised Integrated Borrowing Framework<sup>35</sup> are aligned with the requirements of the policy.

### Pillar 3. Trajectory for UMICs reaching GDI threshold

122. **Preparation of COSOPs for countries above the GDI threshold.** In accordance with the Graduation Policy, IFAD engaged in a structured dialogue to develop new COSOPs in the seven Member States that were above the GDI threshold for three consecutive years prior to IFAD12: Argentina, Brazil, China, Dominican Republic, Mexico, Montenegro and Türkiye.<sup>36</sup> Four COSOPs – Argentina, Brazil, China and Montenegro – were presented to the Executive Board in 2024. The COSOP for Türkiye was presented in May 2025, while the new COSOPs for Dominican Republic and Mexico are scheduled for December 2025 and April 2026 respectively.

123. **Prioritization of country strategy and programme evaluations (CSPEs).** Management liaised with the Independent Office of Evaluation of IFAD (IOE) to prioritize the undertaking of CSPEs in these countries. This was to ensure that, to the extent possible, the new COSOPs were informed by the recommendations emanating from CSPEs. The CSPE process has been completed in Argentina, China, Dominican Republic, Mexico<sup>37</sup> and Türkiye. Table 1 presents an update by country of the dates of CSPE presentation to the Evaluation Committee and COSOP review by the Executive Board.

<sup>32</sup> EB 2024/143/R.17/Add.1, table 6.

<sup>33</sup> Please see EB 2024/143/R.17 and EB 2024/143/R.17/Add.1 for previous years' reporting.

<sup>34</sup> EB 2023/138/R.7.

<sup>35</sup> EB 2023/138/R.8.

<sup>36</sup> Cuba, originally included in the list, was removed, as its GDP per capita decreased significantly and has stayed well below the GDI at least since 2021.

<sup>37</sup> Presented at the 131<sup>st</sup> session of the Evaluation Committee in November 2025.

Table 1  
**Scheduling of CSPE and COSOP presentation**

Country	CSPE – Evaluation Committee date	COSOP – Executive Board date
Brazil		Sept 2024
China	Sept 2023	Dec 2024
Argentina	Oct 2024	Dec 2024
Montenegro		Dec 2024
Türkiye	June 2024	May 2025
Dominican Republic	March 2025	Dec 2025
Mexico	November 2025	April 2026

124. As already communicated to the Executive Board in December 2022 and December 2023, while it was originally hoped that Management would approve all new COSOPs by the end of 2024, some were deferred to 2025 and, in the case of Mexico, to April 2026, to allow time for IOE to complete its CSPEs and ensure the incorporation of evaluation findings into the new COSOPs.
125. These COSOPs have been prepared in line with the revised COSOP guidelines, and are informed by the criteria and process set out in the Graduation Policy.

#### **Pillar 4. Addressing reversals due to economic shocks**

126. Pillar 4 does not yet apply. With respect to the countries involved in the process, all seven of them continue to have an applicable gross national income (GNI) per capita above the GDI of US\$7,855.<sup>38</sup>

#### **C. IFAD Member States above the GDI threshold**

127. In line with the Graduation Policy, the starting point of the graduation process is triggered when a country remains above the GDI for at least three consecutive years prior to an IFAD financing cycle. If the Member State wishes to continue borrowing, a new COSOP will be developed.
128. For IFAD12, the 2021 GDI threshold of US\$7,155 was applied. For IFAD13, a new 2024 GDI threshold of US\$7,895, issued by the World Bank in July 2024, is applied. Based on this figure, two new countries have surpassed the GDI threshold consecutively for three years: Costa Rica and Serbia. Of these, only Costa Rica is included in the list of countries accessing IFAD resources in IFAD13. Management will engage with Costa Rica to develop a new COSOP for approval during the IFAD13 period.

#### **D. Overall context and key learning from the first year of COSOP implementation**

129. Management, together with the regional divisions and concerned country teams, have closely monitored the COSOP implementation progress in Argentina, Brazil, China and Montenegro. In all four countries, COSOP annual progress reviews were held with the participation of representatives of government, development partners, civil society and the private sector. Some progress has been already noted since the four COSOP were approved about 12 months ago.
130. **Macroeconomic situation.** Brazil, China and Montenegro reported overall steady economic growth and institutional stability, creating a favourable environment for their transition towards sustainable and inclusive development. Macroeconomic and trade-related setbacks were noted for Montenegro, where public debt is projected to rise in the coming years, raising concerns about the country's capacity to sustain rural expenditure and policy reforms. In turn, global uncertainties on tariff increases are expected to affect global trade and growth prospects, with potential impacts on the agriculture sector. The economic and institutional context in Argentina has become volatile again, after gradual financial stabilization in 2024

<sup>38</sup> As per the Per Capita Income Guidelines for Operational Purposes issued by the World Bank in July 2025.

and the first half of 2025. The macroeconomic situation is under increasing financial pressure.<sup>39</sup> The recent institutional restructuring in the public sector has scaled down public agencies and policies for rural development and family farming.

131. **Progress on graduation criteria.** Overall, country credit ratings have remained stable, except for Argentina, where Fitch ratings increased from CCC to CCC+ in 2025, mainly due to the new International Monetary Fund (IMF) fund facility (US\$20 billion) and the liberalization of its foreign exchange market, which boosted external liquidity. For Brazil, China and Montenegro, credit ratings have remained unchanged as compared to the baseline.
132. Notable progress has been observed regarding the Sustainable Development Goals (SDGs). In Argentina, for SDG 1, poverty substantially decreased on a national scale, but rates still remain high, particularly in the northern region where IFAD works. Similarly, Brazil and China have achieved lower poverty levels. In Brazil, the poverty rate remains high, at 27 per cent, but impressive strides have been made on SDG 2 (zero hunger). For Montenegro, no substantial progress on SDG 1 was reported. It is well noted that China has already reached the midterm target for the Gender Development Index, while indicators for SDG 10 (reduced inequalities) rose slightly from 7.2 to 7.4.
133. The implementation of the COSOPs for Argentina, Brazil, China and Montenegro reveals notable progress in the focus areas of the Graduation Policy:<sup>40</sup>

**(i) Focus on generating effective and sustainable rural institutions**

134. Relevant investments have been made in policy engagement and institutional strengthening across the four countries. In Argentina, the Promotion of Resilient and Sustainable Agrifood Systems for Family Farming Programme (PROSAF) is contributing to the effective implementation of the Beekeeping Promotion Law. In Brazil, IFAD engaged with the Interstate Consortium for the Sustainable Development of Brazil's northeast, which comprises the governors and secretaries of agriculture and rural development of the nine states in the northeast region. Furthermore, the new portfolio is intensely focused on support to local institutions down to the municipality level in areas such as payment for environmental services. In China, ongoing projects continue strengthening rural institutions, including farmer cooperatives, enhancing their access to finance, business linkages and innovative practices. The Adaptation to Climate Change and Resilience in the Montenegrin Mountain Areas project (GORA) project in Montenegro<sup>41</sup> engaged over the last year with the Union of Municipalities and the Ministry of Ecology, Sustainable Development and Northern Region Development to establish a working group on mountainous areas, providing a platform for policy dialogue on territorial development and resilience.

**(ii) Promoting global public goods<sup>42</sup>**

135. The four country programmes have been promoting public goods, mainly in terms of climate and environmental benefits. In Argentina and Brazil, IFAD participates in the Reducing Agricultural Methane Programme, which is implemented across 17 countries in Latin America, Africa, and Asia, and is focused on methane emission mitigation strategies for small-scale livestock production. In Brazil, IFAD's Promotion of Payment for Environmental Services Project (CompensACTION), which started implementation in July 2024, supports forest conservation and diversification through best practices in agroforestry in cocoa-growing areas in the south of the State of Bahia. The portfolio in China remains focused on activities to promote

---

<sup>39</sup> This has resulted in increased country risk, market volatility, pressures on the exchange rate and interventions by Central Bank draining reserves.

<sup>40</sup> A more detailed per-country summary is included in the annex.

<sup>41</sup> The US\$32 million GORA project is funded by an Adaptation Fund grant, and local and national government. It received its first disbursement in December 2024.

<sup>42</sup> In line with the Graduation Policy, promotion of global goods could take the form of promotion of biodiversity, emission reductions or protection of cultural heritage.

eco-friendly and low-carbon development. For example, the Hunan Rural Revitalization Demonstration Project is contributing to reducing greenhouse gas emissions from farmland by promoting fertilization based on soil testing and the replacement of chemical fertilizers with organic alternatives. In Montenegro, the GORA Adaptation Fund grant is already generating knowledge products and baseline evidence to inform climate-resilient value chain development and targeting.

**(iii) Fostering innovations<sup>43</sup>**

136. A strong emphasis has been placed on promoting adapted technology and sharing knowledge on innovations. In Argentina, IFAD has initiated a collaboration with the innovation lab of the Inter-American Development Bank (IDB Lab) under the AgroWeb3 initiative to develop blockchain and Web3 technologies for the inclusion of small-scale apiculture and dairy producers in global markets. A pilot initiative has also been launched with the Ministry of Bioagroindustry of Cordoba Province to develop a technology platform focused on sustainable food traceability. China's expertise in innovation has been leveraged to share technology and innovations in environmentally friendly practices for agrifood systems transformation. Through South-South and Triangular Cooperation (SSTC), a publication on digital agriculture in selected ASEAN<sup>44</sup> countries was issued in July 2025.
137. IFAD has continued strengthening strategic partnerships with public development banks, the private sector and other stakeholders in an effort to incorporate innovation into its financing approaches in its programmes in countries above the GDI threshold and to use IFAD financing in an increasingly catalytic manner. Brazil has developed an innovative collaboration with the Brazilian Development Bank in the Planting Climate Resilience in Rural Communities of the Northeast Project.<sup>45</sup> The first non-sovereign operation in Brazil is being presented to the Executive Board in December 2025. This will enhance IFAD's work with the private sector and more broadly with the financial ecosystem in the country, thereby also contributing to institutional strengthening. In May 2025, the IFAD China Country Office co-hosted "Sci-Tech Empowering Rural Transformation: 2025 HER Power, HER Stories Dialogue", an event bringing together around 100 participants from United Nations agencies, embassies, NGOs and the private sector. The participants conducted field visits to IFAD project sites in Fenghuang County, where a range of innovations such as labour-saving tools are improving productivity, reducing manual labour and empowering rural women through technology. In Montenegro, a European Union delegation has been engaged to explore complementarities and strengthen synergies with European Union accession priorities under the new GORA+ project.
138. The additional financing to the Entre Ríos Province (PROSAF), approved by the Executive Board in December 2024, became the first IFAD-financed agreement in Argentina implemented through a subnational loan operation. This approach opens the way for other possible engagements at subnational level, allowing the country programme to focus specifically on institutional strengthening in areas at risk of being left behind by national growth processes in above-GDI-threshold countries.

**(iv) SSTC, knowledge-sharing and scaling up**

139. IFAD country programmes maintained a strong focus on knowledge-sharing and SSTC. Argentina participated in several initiatives including the systematization of public policies on sustainable camelid production models with the Plurinational State of Bolivia, Chile and Peru, led by the Inter-American Institute for Cooperation on Agriculture; and the sustainable bamboo management initiative with the Plurinational State of Bolivia and Brazil, which was implemented by the

---

<sup>43</sup> Examples include creating innovative institutional and management arrangements, models that are transferable to other countries, and projects that leverage significant domestic finance and provide important scaling-up opportunities.

<sup>44</sup> Association of Southeast Asian Nations.

<sup>45</sup> This is the first IFAD loan to a public development bank globally. The IFAD Country Team is designing additional financing for the project due to strong demand.

International Bamboo and Rattan Organization (INBAR) under the China-IFAD SSTC Facility. In Brazil, two exchanges with government and project management unit representatives from Mozambique and Pakistan visiting IFAD projects in the northeast of Brazil took place in September and December 2025, respectively. High-level representatives of the German and the Spanish permanent representations also expressed their interest in partnering with IFAD on SSTC activities.

140. The first year of COSOP implementation in China was characterized by a particular focus on producing and sharing knowledge products, participating in in-country policy dialogues and promoting SSTC. China hosted an international event in Hunan province (where the Hunan Rural Revitalization Demonstration Project is located) that brought together about 100 participants from United Nations agencies, embassies and private sector actors to discuss women-led cooperatives, digital integration and China's experiences in SSTC. In Montenegro, IFAD is applying the self-evaluation and holistic assessment of climate resilience of farmers and pastoralists (SHARP) methodology to draw lessons from comparable contexts with a view to promoting future exchanges on territorial approaches and climate adaptation solutions.
141. **Cofinance.** High cofinancing ratios in IFAD12 projects in Argentina, Brazil and China suggest that **IFAD-financed operations are highly relevant for national governments** and underscore IFAD's role as an assembler of development finance. During IFAD12, on average, for every dollar invested by IFAD in Argentina, Brazil and China, governments invested US\$2.1 as domestic cofinancing (close to threefold the IFAD12 target of US\$0.8), which suggests strong government ownership and relevance of IFAD programmes. Equally, for every dollar invested by IFAD in these three countries, international cofinanciers invested US\$1.4 (twice the IFAD12 target of US\$0.7).<sup>46</sup>

## **E. Summary of COSOP implementation progress in Argentina, Brazil, China and Montenegro**

142. Between COSOP approval in 2024 and 2025, Brazil, China and Montenegro reported overall steady economic growth and institutional stability, creating a favourable environment for their transition towards sustainable and inclusive development. Table 1 presents the evolution of the GNI per capita in the four countries. It has increased slightly for Argentina, Brazil and Montenegro, and fallen slightly in China.

Table 1  
**GNI per capita**

GNI per capita (Atlas method current US\$)	At COSOP approval (2024)	Annual results review (ARR) 2025
	(2023 data)	(2024 data)
GDI threshold	7 895	7 855
Argentina	12 890 (2022)	13 434
Brazil	9 310	9 950
China	13 730	13 660
Montenegro	11 450	12 020

### **(i) Argentina**

143. Fitch ratings rose from CCC to CCC+ in 2025, mainly as a result of the new IMF fund facility (US\$20 billion) and the liberalization of its foreign exchange market, which boosted external liquidity. Impressive progress has been observed for SDG 1 (no poverty). However, poverty rates remain high, particularly in the northern region where IFAD works. Progress on the other SDGs shows slight improvement as well, suggesting an overall positive trend.

<sup>46</sup> Cofinancing figures refer to projects approved by IFAD in Argentina, Brazil and China in IFAD12. Montenegro did not receive loans in IFAD12.

Table 2  
COSOP assessment framework: Argentina

Assessment criteria	Indicator	Approval	ARR	COSOP results review (CRR)	COSOP completion report (CCR)
		At design	Available Updates	Midterm benchmark	Completion target
		[2024]	[2025]	[2026]	[2030]
Availability to access external capital for development	Country credit rating	CCC	CCC+	BB	BB
Institutions/policies for sustainable rural development	Overall rural sector performance assessment (RSPA) rating	4.1		4.2	4.3
	Policies/frameworks (cluster indicator 1.1)	4.0		4.2	4.5
	National climate change policies (cluster indicator 3.2)	4.7	NA	4.7	4.8
	Access/use rural financial services (cluster indicator 4.1)	3.1		3.5	3.8
<b>Progress towards SDGs</b>					
SDG 1: No poverty	National poverty rate	40.9 (2023)	31.6	37.8	30.2
	Poverty rate, northern region	44 (2023)	35.1 <sup>a</sup>	41.2	33.8
SDG 2: Zero hunger	Stunting (% children under five)	10.6 (2021)	~ 9 <sup>b</sup>	8	5
SDG 5: Gender equality	Gender employment gap (%)	17.4 (2023)	TBD	15.6	13.2
SDG 8: Decent work	Employment rate (%)	45.2 (2023)	44.4 <sup>c</sup>	45	46.1
	Employment rate, northern region (%)	43.5 (2023)	41.75 <sup>c</sup>	43.5	44.4
SDG 10: Reduced inequalities	Gini coefficient	0.433 (2023)	0.430 <sup>d</sup>	0.433	0.433

Data sources: Credit rating (e.g. Moody's); policies/institutions: IFAD RSPA.

SDG 1: World Bank – World Development Indicators; SDG 2: State of Food Security and Nutrition in the World (SOFI) report; SDG 5: United Nations Statistics Division; SDG 10: World Bank – World Development Indicators.

<sup>a</sup> Average of poverty rates in the northwest and northeast provinces. Source: [National Institute of Statistics and Censuses \(INDEC\), second semester of 2024](#); and INDEC report, March 2025.

<sup>b</sup> United Nations Children's Fund, World Health Organization, World Bank. Joint child malnutrition estimates.

<sup>c</sup> [INDEC Q1 2025](#); [Center for Argentine Political Economy Q1 2025](#). Average of employment rates in northwest and northeast provinces.

<sup>d</sup> Gini coefficient annual figures (World Bank/national accounts).

144. **Institutional strengthening** support has been provided to the Secretariat of Agriculture, Livestock and Fisheries of the Entre Ríos Province through PROSAF, which is focusing on the preparation of inclusive, market-oriented business plans for farmers' organizations. The project is also contributing to the effective implementation of the Beekeeping Promotion Law.

145. **Global public goods.** Related to the promotion of global public goods, the international Reducing Agricultural Methane Programme includes research activities supported by IFAD, focused on methane mitigation strategies for small-scale livestock production in vulnerable areas in the Pampa biome.

146. **Innovation** efforts include the collaboration with the IDB Lab under the AgroWeb3 initiative, which uses blockchain and Web3 technologies to connect smallholder farmers to global markets.<sup>47</sup> IFAD, in collaboration with the Ministry of Agribusiness of the Córdoba Province, has also launched a pilot initiative to develop a platform that enables agrifood enterprises to share information on the quality, safety and traceability of their products using blockchain technology.

147. **SSTC.** The IFAD portfolio in Argentina is also active in SSTC. Examples include Triangular Cooperation with El Salvador and Paraguay on Indigenous Peoples' policy development, and participation in the INBAR/China-IFAD SSTC Facility, which promotes sustainable bamboo management practices through knowledge exchanges in Argentina, Plurinational State of Bolivia and Brazil.

148. The Global Programme for Small-scale Agroecology Producers and Sustainable Food Systems Transformation was launched on 17 October 2025. It is co-funded by the

<sup>47</sup> <https://bidlab.org/en/news/agroweb3-solution-transform-smallholder-farmers-access-global-markets>.

European Union and the Government of Belgium and includes partners from Argentina, Plurinational State of Bolivia and Brazil. The initiative seeks to strengthen agroecology and promote access to diverse, locally adapted seeds and enhanced knowledge and practices for managing plant genetic resources with a focus on women, and Indigenous and traditional communities. Farmers' organizations participating in PROSAF in the Provinces of Misiones and Jujuy will be involved in the initiative.

## (ii) Brazil

149. Brazil's credit rating has remained unchanged as compared to the baseline. With regard to SDG 1, poverty incidence has dropped by one percentage point to 27 per cent. The most notable progress related to SDGs is evident on the indicator for SDG 2 (zero hunger), where the prevalence of undernourishment has dropped below the COSOP midterm and completion targets. These figures remain markedly higher in the northeast and northern regions where IFAD works.

Table 3  
**COSOP assessment framework: Brazil**

Assessment criteria	Indicator	Approval	ARR	CRR	CCR
		At design	Available Updates	Midterm benchmark	Completion target
		[2024]	[2025]	[2027]	[2029]
Availability to access external capital for development	Country credit rating (long-term Fitch)	BB (Jan 2024)	BB (June 2025)	BBB	A
Institutions/policies for sustainable rural development	Overall RSPA rating	4.0 (2021)		4.2	4.5
	Policies/frameworks (cluster indicator 1.1)	4.5 (2021)		4.5	4.7
	National climate change policies (cluster indicator 3.2)	3.7 (2021)	N/A	4.0	4.2-3
	Access/use rural financial services (cluster indicator 4.1)	3.0 (2021)		3.9	4.2
<b>Progress towards SDGs</b>					
SDG 1: No poverty (World Bank)	Poverty headcount ratio	28.4 (2021)	27.0 (2023)	27.0	25.0
SDG 2: Zero hunger (FAOSTAT)	Prevalence of undernourishment (% pop)*	4.7 (2020-2022)	Below 2.5% (2025)	3.8	3.0
SDG 5: Gender equality (OECD data) (United Nations reporting)	1. Women in parliament (%) 2. Proportion of time spent in unpaid domestic and care work, female	15.2 (2021)	18.1 (2025)	19.0	22.6
SDG 10: Reduced inequalities (UNDP)	Income share of lowest 40%	6.03 (2021)	N/A	6.03	6.05

Data sources: IFAD RSPA.

SDG 1: World Bank – World Development Indicators; SDG 2: SOFI report; SDG 5: OECD and United Nations Statistics Division; SDG 10: World Bank – World Development Indicators.

\* Defined as percentage of population living on less than US\$5.50/day.

150. **IFAD's portfolio in Brazil is new and dynamic. It comprises eight investment projects, six of which are managed by State Governments of the Northeast, one by the Federal Government, and one with the Brazilian Development Bank (BNDES) as the borrower and the implementing agency (the first IFAD loan to a public development bank).**

151. **Decentralized state-level implementation allows for a targeted approach to strengthening rural institutions and reducing poverty in the poorer regions of the country.** The diversified portfolio governance arrangements also mitigate fiscal and political risks associated with IFAD's operations in the country. Continuous policy dialogue and engagement with federal and state authorities underpin these achievements.

152. **Access to public goods, focused on environmental sustainability and climate resilience** is promoted across the portfolio. For example, IFAD's

CompensACTION project, which started implementation in July 2024, supports forest conservation and diversification through best practices in agroforestry in cocoa-growing areas in the south of the State of Bahia. The Sustainable Atlantic Rainforest Development Project (*Parceiros da Mata*), for which the first disbursement was made in July 2025, will scale up IFAD's successful interventions safeguarding sustainable agricultural development to a new biome, the Atlantic Rainforest.

153. **Innovative approaches** adopted in projects such as CompensACTION and *Parceiros da Mata* include payment for environmental services. IFAD's recently approved projects scale up best practices that use innovative technologies for climate-resilient rainwater catchment and grey water reuse systems for irrigation designed with the support of local universities.
154. Another feature of the portfolio is its **innovative governance architecture**. IFAD's first non-sovereign operation in Brazil has been posted for approval by lapse of time in December 2025.<sup>48</sup> Brazil has also developed an innovative collaboration with BNDES in the Planting Climate Resilience in Rural Communities of the Northeast Project. In addition, Brazil has one of the largest international and domestic cofinancing ratio among IFAD countries. For every dollar invested by IFAD in the current portfolio, governments invest US\$2.9 and international cofinanciers invest US\$4.1.
155. **SSTC** is a cornerstone of IFAD's portfolio in Brazil, exemplifying its commitment to fostering international collaboration and knowledge-sharing with other countries and other IFAD-funded projects in the Latin America and the Caribbean region, Africa and Asia. For example, government representatives and project management units from Mozambique and Pakistan carried out visits to IFAD projects in the northeast of Brazil in September and December 2025, respectively.

### (iii) China

156. China's credit ratings and economic outlook have remained sustainable and are high, at A+. Progress has been made on SDG 1, the Gender Development Index has already reached the midterm target, and the indicator for SDG 10 rose slightly from 7.2 to 7.4 per cent.

---

<sup>48</sup> <https://webapps.ifad.org/members/lapse-of-time/docs/english/EB-2025-LOT-P-12.pdf>.

Table 4  
COSOP assessment framework: China

Assessment criteria	Indicator	Approval	ARR	CRR	CCR
		At design	Available updates	Midterm benchmark	Completion target
		[2024]	[2025]	[2025]	[projected year]
Availability to access external capital for development	Country credit rating	A+	A+	To be tracked	To be tracked
Institutions/policies for sustainable rural development	Overall RSPA rating	4.2 (2021)			4.5
	Policies/frameworks (cluster indicator 1.1)	4.5 (2021)			4.7
	Environmental assessments, policies and grievance mechanisms (3.1)	4.7 (2021)	N/A	4.8	5
	National Climate Change Policies (3.2)	4.1 (2021)		4.5	5
	Access/Use rural financial services (4.1)	4.3 (2021)		4.6	5
	Regulatory Quality Index (World Bank)	0.4 (2022)		0.8	1.0
<b>Progress towards SDGs</b>					
SDG 1: No poverty	Poverty headcount ratio <sup>a</sup>	24.7% (2020)	21% (2021)	12.1%	10%
SDG 2: Zero hunger	Agriculture Orientation Index <sup>b</sup>	0.86 (2021)	0.89 (2023)	TBD.	TBD.
SDG 5: Gender equality (UNWomen)	Gender Development Index	0.962% (2022)	0.976% (2023)	0.970	0.998
	Proportion of time spent on unpaid domestic chores and care work, female	14.6% (2023)	No new data available <sup>c</sup>	14.1%	13.6%
SDG 10: Reduced inequalities	Income share of lowest 20%	7.2% (2020)	7.4% (2021)	8%	9%

<sup>a</sup> Poverty headcount ratio as proportion of population with a daily consumption level below US\$6.85 a day as established through the 2017 international process.

<sup>b</sup> The baseline [data](#) sourced from UNSTAT has changed with respect to that reported at the time of COSOP approval. For consistency purposes, the revised baseline and the most recent update (2023) data are presented in this table. The revised baseline will have implications for the targets set for the COSOP's midterm and completion. These will be revised in due course, using the same methodology described in the COSOP with the current official figures.

<sup>c</sup> UNWomen does not have updated information as the reference source for this indicator. The Government advised that its third survey of time use (2024) reported a value of 14.5 per cent (209 minutes per full day) for this indicator:  
[https://www.stats.gov.cn/zt\\_18555/zthd/lhfw/2025/2025\\_qgsjlydc/202501/t20250127\\_1958534.html](https://www.stats.gov.cn/zt_18555/zthd/lhfw/2025/2025_qgsjlydc/202501/t20250127_1958534.html).

157. The portfolio in China is composed of four projects, of which two are not yet disbursable. The portfolio focuses on strengthening rural institutions with particular emphasis on empowering farmer cooperatives and producers' organizations, enhancing their access to finance, business linkages and innovative practices.
158. **Strengthening rural institutions.** Improving access to finance continues to be a key objective. Rural enterprises and producers' organizations are supported in engaging in formal partnerships and business agreements with public and private entities. The portfolio also aims to promote women in leadership roles. Preliminary results show that nearly 40,000 rural producers have been trained in the last year in production practices and technologies, which has equipped them with the skills needed to adopt innovative approaches and improve productivity. Village-level consultations and stakeholder workshops are regularly conducted, ensuring that participants are actively involved in project planning and decision-making.
159. **Global public goods.** The portfolio promotes activities that contribute to reducing greenhouse gas emissions from farmland, for example by promoting soil testing-based fertilization and the replacement of chemical fertilizers with organic alternatives.
160. **Innovations** encompass the integration of digital tools within cooperatives, serving both as drivers of innovation and as mechanisms for knowledge-sharing and **SSTC**. In May 2025, the IFAD Country Office in China co-hosted an event on "Sci-Tech Empowering Rural Transformation: 2025 HER Power, HER Stories Dialogue", which was attended by around 100 participants from United Nations agencies, embassies, NGOs and the private sector. Participants conducted field visits to IFAD project sites in Fenghuang County, where a range of innovations and the introduction of labour-saving tools are improving productivity, reducing manual labour and empowering rural women through technology. A report addressing the

advancement of digital agriculture in selected ASEAN countries via SSTC was published in July 2025.

#### (iv) Montenegro

161. Montenegro's credit rating (S&P, Moody's) remained at B+ and Ba3, as at baseline. Progress on SDG 1 remains unchanged. No updates are available for SDG 2 (zero hunger), SDG 5 (gender equality) or SDG 10 (reduced inequalities).

Table 5  
COSOP assessment framework: Montenegro

Assessment criteria	Indicator	[2024]	Approval	ARR	CRR	CCR
			At design	Available Updates	Midterm benchmark	Completion target
Availability to access external capital for development	Country credit rating	S&P Moody's	B+ Ba3	B+ Ba3	BB+ Ba2	BB+ Ba1
Institutions/policies for sustainable rural development	Overall RSPA rating		3.9		4.1-4.2	4.5
	Policies/frameworks (cluster indicator 1.1)		4.7		4.8	4.9
	National climate change policies (cluster indicator 3.2)		4.0	NA	4.2	4.5
	Access/use rural financial services (cluster indicator 4.1)		3.2		3.8	4.5
<b>Progress towards SDGs</b>					[projected year]	
SDG 1: No poverty	Poverty headcount ratio (upper-middle-income)		8.57%	8.5%	7.76%	7.08%
SDG 2: Zero hunger	Prevalence of undernourishment (% pop) <sup>a</sup>		2.5%	2.5%	2.5%	2.5%
	Prevalence of food insecurity		2.1%	NA	2.2%	2%
	Agriculture share of total government expenditure		1.67%	NA	1.9%	2.15%
SDG 5: Gender equality	Proportion of seats held by women in local governments		35.3	32.7	40%	45%
	Gender Inequality Index (over 100)		60.4	NA	65.3%	69.8%
SDG 10: Reduced inequalities	10.1 Growth rate of income share of bottom 40%		3.4%	NA	3.7%	4.2%

Data sources: Credit rating (e.g. Moody's, Fitch, Standard & Poor's); Policies/institutions: IFAD RSPA.

SDG 1: World Bank – World Development indicators; Montenegro Macro Poverty Outlook / April 2025; SDG 2: SOFI report; SDG 5: United Nations Statistics Division; SDG 10: World Bank – World Development Indicators.

Defined as percentage of population living under US\$5.50/day.

162. IFAD's presence in Montenegro is anchored in the ongoing GORA project, a US\$32 million initiative funded by an Adaptation Fund grant, and local and national government. It received its first disbursement in December 2024. This initiative will soon be complemented by the new GORA+ project, currently under design and scheduled for approval in 2026.

163. **Effective and sustainable rural institutions.** Over the past year, the GORA project has been engaging with the Union of Municipalities and the Ministry of Ecology, Sustainable Development and Northern Region Development to establish a working group on mountainous areas, providing a platform for policy dialogue on territorial development and resilience.

164. **Global public goods.** The Adaptation Fund grant under the GORA project is already generating knowledge products and baseline evidence to inform climate-resilient value chain development and targeting. The country strategy and GORA's objectives are aligned with Montenegro's National Strategy of Sustainable Development and National Climate Change Strategy.

165. **Innovation, knowledge management and SSTC.** IFAD is supporting the application of the SHARP methodology, drawing lessons from comparable contexts, and preparing the ground for future exchanges on the effectiveness of territorial approaches and climate adaptation solutions. A memorandum of understanding has been prepared with the Biotechnical Faculty (University of Montenegro) to

strengthen research collaboration and develop knowledge products based on project experiences.

166. The design of GORA+ builds on these foundations and includes dedicated support for rural policy, promotion of public goods, and SSTC, including a budget line for country-to-country cooperation in the region. Discussions are ongoing to assess the feasibility of cofinancing by Agence Française de Développement, who have expressed interest. In addition, a European Union delegation is exploring complementarities and strengthening of synergies with European Union accession priorities under the new project.

## Part six – Recommendations

167. In accordance with article 7, section 2(b), of the Agreement Establishing IFAD, the Executive Board has approved and is transmitting to the Governing Council:

- The programme of loans and grants for 2026 at a level of up to SDR 1,204 million (US\$1,633 million), which comprises a lending programme of SDR 1,186 million (US\$1,609 million) and a gross grant programme of SDR 15.2 million (US\$20.6 million). It is noted that the programme of loans and grants has been approved at this level for planning purposes and will be adjusted as needed during 2026 in accordance with available resources.

168. In accordance with the Governing Council resolution 181/XXXVII, the Executive Board:

- Approved the appropriation for the replenishment special expenditure budget for the IFAD14 Replenishment exercise in the amount of US\$1.2 million.

169. In accordance with article 6, section 10, of the Agreement Establishing IFAD and regulation VI of the Financial Regulations of IFAD, the Executive Board recommended by consensus and without objection that the Governing Council approve:

- The administrative budget comprised of, first, the regular budget of IFAD for 2026 in the amount of US\$194.71 million, which has been prepared on a cost classification basis<sup>49</sup> and includes US\$82.51 million of management resources to cover indirect costs and US\$112.19 million of programme resources to cover direct costs; second, the capital budget of IFAD for 2026 in the amount of US\$5.5 million; third, the budget of the Independent Office of Evaluation of IFAD for 2026 in the amount of US\$7.91 million;
- That unobligated appropriations at the close of the financial year 2025 may be carried forward into the 2026 financial year up to an amount not exceeding 3 per cent of the corresponding appropriations.

170. The Executive Board also recommended the submission of the following to the forty-ninth session of the Governing Council for information:

- The substance of the progress report on IFAD's participation in the Heavily Indebted Poor Countries Initiative; and
- A progress report on the implementation of the performance-based allocation system, the Borrowed Resource Access Mechanism and the IFAD Graduation Policy, based on the report provided in part five of the present document.

---

<sup>49</sup> The Executive Board, at its 134<sup>th</sup> session, approved the preparation and submission of the IFAD regular budget on a cost classification basis, and the incorporation of the decision into the Governing Council resolution for approval of the administrative budget of IFAD. [EB 2021/134/R.7](#).

## **Draft resolution .../XLIX**

### **Administrative budget comprising the regular budget and capital budgets of IFAD and an Independent Office of Evaluation of IFAD budget for 2026**

#### **The Governing Council of IFAD,**

**Bearing in mind** article 6.10 of the Agreement Establishing IFAD and regulation VI of the Financial Regulations of IFAD;

**Noting** that, at its 146<sup>th</sup> session, the Executive Board reviewed and agreed upon a programme of loans and grants of IFAD for 2026 at a level of SDR 1,204 million (US\$1,633 million), which comprises a lending programme of SDR 1,186 million (US\$1,609 million) and a gross grant programme of SDR 15.2 million (US\$20.6 million);

**Having considered** the review of the 146<sup>th</sup> session of the Executive Board concerning the proposed regular budget, capital budget and the Independent Office of Evaluation of IFAD budget for 2026;

**Aware** that, in 2004, Governing Council resolution 133/XXVII authorized the amendment of regulation VI, paragraph 2 of the Financial Regulations of IFAD to allow a maximum 3 per cent carry-forward of unobligated appropriations;

**Conscious** that the aforementioned 3 per cent carry-forward currently applies to the regular budget and the Independent Office of Evaluation of IFAD budget, and noting the need for a 3 per cent cap for carrying forward unspent unobligated balances in the current financial year into the following financial year to support delivery of certain corporate priorities;

**Approves** the administrative budget comprised of, first: the regular budget of IFAD for 2026 in the amount of US\$194.71 million, which has been prepared on a cost classification basis and that includes US\$82.51 million of management resources to cover indirect costs and US\$112.19 million of programme resources to cover direct costs; second, the capital budget of IFAD for 2026 in the amount of US\$5.5 million; and third, the budget of the Independent Office of Evaluation of IFAD for 2026 in the amount of US\$7.91 million, as set forth in document GC 49/L.4, determined on the basis of a rate of exchange of EUR 0.912:US\$1; and

**Determines** that, in the event the average value of the United States dollar in 2026 should change against the euro rate of exchange used to calculate the budget, the total United States dollar equivalent of the euro expenditures in the budget shall be adjusted in the proportion that the actual exchange rate in 2026 bears to the budget exchange rate.

## Indicative list of countries with projects in the pipeline for 2026 (new projects and additional financing for ongoing projects)

West and Central Africa	East and Southern Africa	Asia and the Pacific	Latin America and the Caribbean	Near East, North Africa and Europe
<b>New projects</b>				
Cabo Verde	Burundi	China	Belize	Morocco
Congo	Madagascar	India	Bolivia (Plurinational State of)	Jordan
Democratic Republic of the Congo	United Republic of Tanzania	Indonesia (2)	Dominican Republic	Montenegro
Côte d'Ivoire	Zambia	Lao People's Democratic Republic	Ecuador	Tajikistan
Guinea		Nepal	El Salvador	Ukraine
Liberia		Pakistan	Mexico	Uzbekistan
Mali		Philippines		
Niger		Sri Lanka		
Togo		Viet Nam		
9	4	10	6	6
<b>Additional financing proposals</b>				
Chad	Eritrea		Brazil	Djibouti
Mali	Eswatini			Egypt
Mauritania	Kenya			
Nigeria	Madagascar			
Senegal	Rwanda			
Sierra Leone	South Sudan			
Togo				
7	6	0	1	2
Total new projects				
Total additional financing				
<b>Total investments</b>				
35				
16				
<b>51</b>				

Source: Grants and Investments Project System as at 1 October 2025.

## Capital budget, 2017–2025

(Thousands of United States dollars)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
<b>ICT initiatives</b>										
Loans and grants	-	-	-	175	419	-	-	-	-	594
Human resources reform	286	-	-	-	-	-	-	-	-	286
ICO infrastructure enhancement – ICT and communications	-	-	-	-	260	-	-	-	-	260
Institutional efficiency	775	-	210	200	-	600	850	1 984	1 368	5 987
Delivering as One	-	-	-	-	-	-	-	-	-	-
Knowledge management	-	-	-	-	1 015	400	-	-	-	1 415
ICT infrastructure	890	900	640	981	1 515	1 490	840	900	3 378	11 534
Budget and planning systems	-	-	150	-	-	-	-	-	-	150
Transparency/accountability	-	500	-	-	110	120	-	-	-	730
Borrowing and financial systems	-	300	1 250	2 045	2 044	790	2 100	406	287	9 222
Corporate analytics	-	150	195	-	737	530	300	405	-	2 317
<b>Subtotal ICT initiatives</b>	<b>1 951</b>	<b>1 850</b>	<b>2 445</b>	<b>3 401</b>	<b>6 100</b>	<b>3 930</b>	<b>4 090</b>	<b>3 695</b>	<b>5 033</b>	<b>32 495</b>
<b>Non-ICT headquarters projects</b>	-	-	100	541	-	240	247	380	450	1 958
<b>Non-ICT ICO projects (including the Decentralization Priority Plan)</b>	-	-	-	-	375	1 970	1 794	1 525	-	5 664
<b>ICO security and vehicles/MOSS compliance*</b>	<b>454</b>	<b>100</b>	<b>100</b>	<b>500</b>	<b>275</b>	<b>360</b>	<b>369</b>	<b>500</b>	<b>-</b>	<b>2 658</b>
<b>Total</b>	<b>2 405</b>	<b>1 950</b>	<b>2 645</b>	<b>4 442</b>	<b>6 750</b>	<b>6 500</b>	<b>6 500</b>	<b>6 100</b>	<b>5 483</b>	<b>42 775</b>

\* MOSS = United Nations Minimum Operating Security Standards

## Representative outputs linked to 2026 budget

(Millions of United States dollars)

<i>Results pillars, institutional output groups, and specific representative outputs</i>		<i>Proposed budget</i>		
		<i>Non-staff</i>	<i>Staff</i>	<i>Total</i>
<b>Pillar 1: Country programme delivery</b>		<b>44.31</b>	<b>67.89</b>	<b>112.20</b>
<b>Country-level strategies and programmes</b>	<ul style="list-style-type: none"> <li>✓ 2 new full country strategy notes (CSNs)</li> <li>✓ 6 CSN completion reviews</li> <li>✓ 14 new full country strategic opportunities programme (COSOP) designs</li> <li>✓ 6 new partial COSOP designs</li> <li>✓ 14 COSOP completion reviews</li> <li>✓ 39 COSOP annual reviews</li> <li>✓ 6 COSOP results reviews</li> <li>✓ 80 COSOP quality assurance reviews</li> <li>✓ Strategic policy engagement and dialogue</li> </ul>			
<b>Design of new loan- and grant-financed projects</b>	<ul style="list-style-type: none"> <li>✓ 20 full designs (sovereign operations)</li> <li>✓ 21 partial designs</li> <li>✓ 11 additional financings</li> <li>✓ 1 type C design</li> <li>✓ 8 SECAP assessments</li> <li>✓ 10 non-sovereign operation (NSO) designs</li> <li>✓ Technical support for design and implementation of PoLG</li> <li>✓ Operational and fiduciary support provided for new project designs</li> <li>✓ 84 quality assurance reviews</li> </ul>			
<b>Project supervision and implementation support</b>	<ul style="list-style-type: none"> <li>✓ 34 start-up support missions</li> <li>✓ 15 partial supervisions</li> <li>✓ 189 full supervisions, of which 174 sovereign and 15 NSOs</li> <li>✓ 163 implementation support missions</li> <li>✓ 11 midterm reviews</li> <li>✓ 32 project completion missions</li> <li>✓ Operational and fiduciary support provided for the implementation and supervision of ongoing projects</li> <li>✓ Financial management support provided to projects</li> <li>✓ 41 project completion reviews</li> <li>✓ Geospatial analysis</li> </ul>			
<b>Country-level policy engagement</b>				
<b>Enabling outputs for results pillar 1</b>	<ul style="list-style-type: none"> <li>✓ ICO rent and common services</li> <li>✓ IFAD Client Portal (for disbursing loans and grants)</li> <li>✓ Technical support provided on PoLG thematic areas (including youth, gender, nutrition, climate adaptation)</li> <li>✓ Fragility support and assessments</li> <li>✓ Procurement support provided in fragile contexts</li> <li>✓ NSO impact framework developed</li> <li>✓ NSO technical support</li> <li>✓ Procurement services for IFAD projects</li> <li>✓ Portfolio monitoring (including replenishment commitments)</li> <li>✓ System support provided to country programmes</li> <li>✓ ICO field security</li> <li>✓ 60 SECAP compliance reviews</li> <li>✓ Policy and partner engagement strengthened</li> <li>✓ Enhanced regional work planning</li> </ul>			
<b>Pillar 2: Knowledge-building, dissemination and policy engagement</b>		<b>4.43</b>	<b>10.04</b>	<b>14.47</b>
<b>Corporate knowledge and research</b>	<ul style="list-style-type: none"> <li>✓ Technical support provided on PoLG thematic areas</li> <li>✓ Results Management Framework for IFAD14 developed</li> <li>✓ Biodiversity indicator developed</li> <li>✓ Reports and flagship publications, including the Report on IFAD's Development Effectiveness (RIDE), the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA), and the State of Food Security and Nutrition in the World (SOFI) 2026</li> <li>✓ Concepts, approaches, graphic design and editorial production for reports and flagship publications</li> </ul>			

<i>Results pillars, institutional output groups, and specific representative outputs</i>			<i>Proposed budget</i>		
			<i>Non-staff</i>	<i>Staff</i>	<i>Total</i>
<b>Communication, visibility and outreach</b>	✓ Media outreach strengthened with key outlets, including through interviews, op-eds and media visits ✓ Production of communication products (e.g. photo and video content, digital assets, branding support and social media engagement) ✓ IFAD's website and social media channels maintained in all four official languages				
<b>South-South and Triangular Cooperation</b>					
<b>Impact assessment</b>	✓ Impact assessment of IFAD13 projects ✓ Long-term outcomes of IFAD projects				
<b>Global policy engagement and global partnership</b>	✓ Four position papers and strategic engagement in G20 and G7 policy processes ✓ High-level positioning at key global convenings ✓ Delivery of food systems coordination ✓ Five partnerships scaled up with multilateral development banks				
<b>Enabling outputs for results pillar 2</b>					
<b>Pillar 3: Financial capacity and instruments</b>			<b>1.91</b>	<b>8.74</b>	<b>10.65</b>
<b>Replenishment</b>	✓ Launch of IFAD14 held with Governors at IFAD's Governing Council ✓ Three formal sessions held with the IFAD14 Consultation ✓ Preparation of IFAD14 report and resolution				
<b>Resource mobilization and management including additional resources</b>	✓ Implementation of the Supplementary Resources Mobilization Plan (2025–2027)				
<b>Corporate financial management and reporting</b>	✓ Robust debt servicing ensured to maintain IFAD's preferred creditor status ✓ Audit and internal controls ✓ Investment accounting and reporting ✓ New financial product roll-out ✓ Donor reporting for supplementary funds				
<b>Corporate fiduciary and financial risk management</b>	✓ Support provided for design of NSO transactions for anti-money laundering and "know your customer" assessment ✓ Withdrawal applications processed and project disbursements paid ✓ Payroll and payment activities executed accurately and on time				
<b>Corporate controllership</b>	✓ Timely, accurate and streamlined financial data for donor compliance, and audit readiness				
<b>Financial projections and products, strategic and operational liquidity management/planning</b>	✓ Collateral management function established ✓ New IFAD financial model launched to improve analytical capabilities for capital optimization ✓ Development of new financial products, mobilization of private sector investment ✓ Resources Available for Commitment document submitted to the Executive Board ✓ Revised Liquidity Policy submitted to the Audit Committee and Executive Board				
<b>Investment portfolio management</b>	✓ Yearly update of Investment Policy Statement submitted to the Executive Board ✓ Quarterly reporting on performance of the investment portfolio completed at the Audit Committee and Executive Board ✓ Semi-annual asset and liability management report provided to the Audit Committee and Executive Board				

<i>Results pillars, institutional output groups, and specific representative outputs</i>			<i>Proposed budget</i>		
			<i>Non-staff</i>	<i>Staff</i>	<i>Total</i>
	<b>Enabling outputs for results pillar 3</b> <ul style="list-style-type: none"> <li>✓ IFAD's credit rating maintained</li> <li>✓ IFAD bonds listed on London and Luxembourg stock exchanges; funding plan fully executed</li> <li>✓ Treasury systems enabled</li> </ul>				
	<b>Pillar 4: Institutional functions, services and systems</b>		<b>26.59</b>	<b>30.80</b>	<b>57.39</b>
	<b>Enabling information technology environment</b> <ul style="list-style-type: none"> <li>✓ Corporate system hosting</li> <li>✓ ICT annual licences and subscriptions</li> <li>✓ Technical support and maintenance for corporate systems</li> <li>✓ Technical support and maintenance for ICO systems</li> </ul>				
	<b>Transaction and administrative services</b> <ul style="list-style-type: none"> <li>✓ Records management</li> <li>✓ Travel services</li> <li>✓ Transportation service</li> <li>✓ Mail and pouch services</li> </ul>				
	<b>Headquarters security services</b>				
	<b>Facilities management</b> <ul style="list-style-type: none"> <li>✓ Headquarters building services maintenance</li> <li>✓ Utilities delivered for a functioning headquarters building</li> <li>✓ Headquarters building catering</li> <li>✓ Liaison offices rent</li> </ul>				
	<b>Human resources (HR) management</b> <ul style="list-style-type: none"> <li>✓ Strategic workforce planning</li> <li>✓ Talent acquisition</li> <li>✓ Talent management (training, performance management, etc.)</li> <li>✓ HR policies benchmarked and updated</li> <li>✓ HR data and analytics</li> <li>✓ HR administration: compensation and social security managed</li> <li>✓ Strategic business partnering (field operations, HR support, briefing notes and HR updates for leadership, etc.)</li> <li>✓ Staff relations and case management</li> <li>✓ Culture transformation and change management</li> </ul>				
	<b>Corporate planning, budgeting and reporting</b> <ul style="list-style-type: none"> <li>✓ Initial set of 3-year corporate outputs and outcomes</li> <li>✓ High-level preview of the 2027 budget</li> <li>✓ Final document with proposed budget for 2027</li> </ul>				
	<b>Internal oversight and risk management</b> <ul style="list-style-type: none"> <li>✓ IFAD credit rating maintained</li> <li>✓ Risk analysis conducted</li> <li>✓ Audit and oversight delivered</li> <li>✓ Headquarters building and content insurance</li> </ul>				
	<b>Corporate legal services</b> <ul style="list-style-type: none"> <li>✓ Legal opinions and consultations</li> <li>✓ Expert legal services provided for NSOs</li> </ul>				
	<b>IFAD management functions</b> <ul style="list-style-type: none"> <li>✓ Security provided during corporate events</li> </ul>				
	<b>Internal communications</b> <ul style="list-style-type: none"> <li>✓ IFAD intranet maintained and used strategically for internal engagements</li> <li>✓ At least quarterly internal all-staff events, including town halls, information sessions, and IFAD Interact events</li> </ul>				
	<b>Ethics</b> <ul style="list-style-type: none"> <li>✓ Financial disclosure process completed</li> <li>✓ Awareness raised on IFAD ethics process</li> </ul>				

<i>Results pillars, institutional output groups, and specific representative outputs</i>		<i>Proposed budget</i>		
		<i>Non-staff</i>	<i>Staff</i>	<i>Total</i>
	<b>Governing bodies</b> ✓ Forty-ninth session of the Governing Council ✓ 3 Executive Board sessions ✓ Informal Executive Board meeting(s) ✓ 4 meetings of IFAD's Emoluments Committee ✓ 4 meetings of IFAD's Audit Committee ✓ 4 sessions of IFAD's Evaluation Committee ✓ Web-streaming of official and corporate events ✓ Executive Board field visit			
	<b>Membership and protocol</b> ✓ High-level meetings for Member States and induction sessions			
	<b>Enabling outputs for results pillar 4</b> ✓ United Nations Department for Safety and Security jointly financed security services provided to IFAD worldwide ✓ Strategic stakeholder engagement ✓ Corporate procurement services ✓ Medical services for all staff ✓ Privileges and immunities services			
	<b>Unallocable corporate costs</b> ✓ Depreciation ✓ After service medical coverage for previous IFAD staff members			
<b>Total</b>		<b>77.24</b>	<b>117.47</b>	<b>194.71</b>

## Indicative breakdown of 2026 regular budget by results pillar and institutional output group

(Millions of United States dollars)

Pillar	2024		2025		2026	
	US\$	% of total	US\$	% of total	US\$	% of total
<b>Pillar 1 – Country programme delivery</b>						
Country strategies and programmes	7.12	4	6.99	4	7.26	4
Design of new loan- and grant-financed projects	22.05	12	23.95	13	25.59	13
Supervision and implementation support	34.50	19	35.72	19	34.44	18
Enable and support	34.02	19	34.98	18	36.39	19
Enabling management functions	3.86	2	4.36	2	4.58	2
Country-level policy engagement	1.32	1	1.34	1	1.48	1
Allocable corporate costs	2.13	1	2.19	1	2.46	1
<b>Subtotal pillar 1</b>	<b>105.00</b>	<b>57</b>	<b>109.53</b>	<b>57</b>	<b>112.19</b>	<b>58</b>
<b>Pillar 2 – Knowledge-building, dissemination and policy engagement</b>						
Corporate knowledge and research	0.91	0	1.04	1	1.34	1
Communication and outreach	5.88	3	5.89	3	5.84	3
South-South and Triangular Cooperation	0.95	1	1.43	1	1.50	1
Impact assessments	1.96	1	2.06	1	2.10	1
Global policy engagement and global partnerships	2.54	1	2.47	1	2.19	1
Enable and support	0.45	0	0.49	0	0.42	0
Enabling management functions	1.51	1	1.11	1	1.06	1
Allocable corporate costs	0.00	0	0.00	0	0.00	0
<b>Subtotal pillar 2</b>	<b>14.21</b>	<b>8</b>	<b>14.50</b>	<b>8</b>	<b>14.46</b>	<b>7</b>
<b>Pillar 3 – Financial capacity and instruments</b>						
Replenishment	0.22	0	0.20	0	0.20	0
Resource mobilization and management of additional resources	4.08	2	3.84	2	4.03	2
Corporate financial management and reporting	1.39	1	1.39	1	1.48	1
Corporate fiduciary and financial risk management	0.74	0	0.69	0	0.59	0
Corporate controllership	0.32	0	0.30	0	0.26	0
Financial projections, products, strategic and operational liquidity planning/management	0.53	0	0.81	0	0.79	0
Investment portfolio management	0.63	0	0.66	0	0.68	0
Enable and support	0.60	0	0.49	0	0.58	0
Enabling management functions	1.41	1	1.46	1	1.51	1
Allocable corporate costs	0.19	0	0.35	0	0.52	0
Unallocable corporate costs	0.00	0	0.20	0	0.00	0
<b>Subtotal pillar 3</b>	<b>10.12</b>	<b>6</b>	<b>10.39</b>	<b>5</b>	<b>10.65</b>	<b>5</b>
<b>Pillar 4 – Institutional functions, services and governance</b>						
Enabling information technology environment	8.00	4	8.68	5	8.82	5
Client-oriented transaction services	0.65	0	0.69	0	0.83	0
Effective and sustainable administrative services	2.04	1	2.18	1	1.87	1
Headquarters security services	1.24	1	1.25	1	1.38	1
Effective and sustainable facilities management	3.62	2	3.71	2	3.78	2
Human resource management	5.34	3	5.29	3	5.54	3
Corporate planning, budgeting and reporting	0.65	0	0.66	0	0.67	0
Internal oversight and risk management	5.98	3	6.13	3	6.35	3
Corporate legal services	3.58	2	3.70	2	3.77	2
IFAD management functions	3.00	2	3.06	2	3.29	2
In-house communications	0.00	0	0.00	0	0.00	0
Ethics Office	0.61	0	0.67	0	0.68	0
Governing bodies	3.97	2	4.88	3	4.97	3
Membership and protocol	0.53	0	0.50	0	0.51	0
Enable and support financial institutional functions	2.69	1	3.11	2	3.29	2
Enabling management functions	3.95	2	4.12	2	4.16	2
Allocable corporate costs	3.52	2	2.59	1	2.59	1
Unallocable corporate costs	4.70	3	4.90	3	4.91	3
<b>Subtotal pillar 4</b>	<b>54.08</b>	<b>29</b>	<b>56.10</b>	<b>29</b>	<b>57.40</b>	<b>29</b>
<b>Total</b>	<b>183.41</b>	<b>100</b>	<b>190.51</b>	<b>100</b>	<b>194.71</b>	<b>100</b>

## Price adjustment and real increase embedded into IFAD regular budget from 2019–2026 and forecast for 2027 and 2028

(Millions of United States dollars)

		Real increase		Price increase		Nominal increase		Budget
		%	US\$	%	US\$	%	US\$	US\$ mln
IFAD11	2019	0.00	0.00	1.70	2.64	1.70	2.64	<b>158.21</b>
	2020	0.00	0.00	(0.19)	(0.30)	(0.19)	(0.30)	<b>157.91</b>
	2021	0.00	0.00	0.96	1.52	0.96	1.52	<b>159.41</b>
IFAD12	2022	3.22	5.13	1.50	2.39	4.72	7.52	<b>166.93</b>
	2023	2.93	4.84	2.33	3.89	5.26	8.73	<b>175.71</b>
	2024	1.70	2.99	2.68	4.71	4.38	7.70	<b>183.41</b>
IFAD13	2025	1.18	2.16	2.69	4.94	3.87	7.10	<b>190.51</b>
	2026*	0.00	0.00	2.20	4.20	2.20	4.20	<b>194.71</b>
	2027**	0.00	0.00	2.00	3.89	2.00	3.89	<b>198.60</b>
IFAD14	2028**	0.00	0.00	2.00	3.97	2.00	3.97	<b>202.57</b>

\* Proposed budget.

\*\* Forecast budget.

## Reference values and parameters for efficiency ratios

(Millions of United States dollars)

	Actual 2022	Actual 2023	Actuals 2024	IFAD12 (2022/2024)	Projected 2025	Projected 2026
<b>Programme of work</b>						
Programme of loans and grants	884	535	2 043	3 462	1 253	1 633
Other IFAD-managed funds	241	220	223	684	237	158
<b>Subtotal</b>	<b>1 125</b>	<b>755</b>	<b>2 266</b>	<b>4 146</b>	<b>1 490</b>	<b>1 791</b>
Cofinancing*	959	1 886	5 061	7 906	2 161	1 318
<b>Total programme of work</b>	<b>2 084</b>	<b>2 641</b>	<b>7 327</b>	<b>12 052</b>	<b>3 651</b>	<b>3 109</b>
<b>Value of portfolio under implementation at end of period**</b>	<b>8 640</b>	<b>8 685</b>	<b>8 117</b>	-	<b>9 191</b>	<b>10 444</b>
<b>Total costs</b>						
Regular budget	162.53	171.72	182.59	516.84	189.40	194.71
<i>Direct and programmatic costs</i>	n.a.	97	105	n.a.	109	112
<i>Indirect costs</i>	n.a.	79	78	n.a.	81	83
Costs to support supplementary fund activities	6.80	8.30	9.00	24.10	12.50	14.50
<b>Total costs</b>	<b>169.33</b>	<b>180.02</b>	<b>191.59</b>	<b>540.94</b>	<b>201.90</b>	<b>209.21</b>
<b>Efficiency ratio 1: Total costs/PoLG including other IFAD-managed funds</b>	15%	24%	8%	13%	14%	12%
<b>Efficiency ratio 2: Total costs/programme of work</b>	8%	7%	3%	4%	6%	7%
<b>Efficiency ratio 3: Portfolio/total costs</b>	51	48	42	n.a.	46	50
<b>Administrative expenses to active project portfolio: Indirect expense budget / active project portfolio</b>	n.a.	1%	1%	n.a.	1%	1%
<b>Administrative expenses to total project expense: Indirect expense budget / (direct expense budget + PoLG disbursement)</b>	n.a.	12%	4%	n.a.	6%	5%

\* Actual numbers recalibrated following systems alignment.

\*\* 2025 and 2026 figures are based on data available as at 1 October 2025.

## IOE Results Management Framework for 2025<sup>50</sup>

Table 1  
IOE key performance indicators for 2025

Key performance indicator	Baseline	Target	Achievement	Notes
<b>Adoption of evaluation findings and recommendations</b>				
1. Percentage of recommendations partially or fully agreed to	99% (2020 President's Report on the Implementation Status of Evaluation Recommendations and Management Actions ([PRISMA]))	95%	According to Management PRISMA (2024) self-reporting: 100% agreement (90% of recommendations were fully agreed to and the remaining 10% partially agreed to)	Available via PRISMA
2. Percentage of agreed recommendations on higher-plane evaluations implemented satisfactorily and in a timely manner	n.a.	90%	According to the IOE comments on the PRISMA 2024: 26% of the recommendations were fully implemented, 57% were under implementation, and 7% were not fully addressed	Based on biannual verification by IOE on higher-plane evaluations <sup>51</sup>
<b>Coverage of IFAD programmes</b>				
3. Number of higher-level evaluation reports (corporate-level evaluations [CLEs], thematic evaluations, evaluation syntheses, country strategy and programme evaluations [CSPEs] and subregional evaluations [SREs]) published during the year	6	7-8	8	Computed on an annual basis
4. Proportion of active countries covered through subregional and country-level evaluations, project performance evaluations (PPEs), impact evaluations and project cluster evaluations (PCEs) on a two-year basis	25% (2019-2020) <sup>52</sup>	28%-33%	37% (2023-2024) <sup>53</sup>	Computed on a biannual basis
<b>Engagement, outreach and feedback received</b>				
5. Feedback received from the Executive Board and subsidiary bodies	n.a.	Tracked	Feedback is recorded in Evaluation Committee and Executive Board minutes and includes supportive remarks (examples in annex V)	To be reported on in qualitative terms
6. Feedback received from the Evaluation Advisory Panel on evaluation quality	n.a.	Tracked	To be presented in the Evaluation Advisory Panel's annual report	To be reported on in qualitative terms
7. Engagement events with Management and governments and feedback received	n.a.	Tracked	Per statements made at learning events (examples in annex V)	To be reported on in quantitative and qualitative terms

<sup>50</sup> Drawn from IOE's multi-year strategy.

<sup>51</sup> In fact, the verification has been done annually since 2022 and is based on IOE comments on the PRISMA report.

<sup>52</sup> Countries covered by CSPEs: 10; countries covered by PPEs: 13; average active countries in 2019-2020: 92

<sup>53</sup> Countries covered by SREs: 10; countries covered by CSPEs: 12; countries covered by PPEs: 8; countries covered by PCEs: 7, removing 5 duplications; number of countries with an active portfolio in 2023-2024: 93.

8. Number of visits to the IOE website	77 380 (2019)	80 000	92 000	Quantitative data tracked by IOE
9. Number of learning events (co-)organized by IOE	8 (2019)	10	18	Includes event at IFAD and those open to the public
10. Score assigned IOE by the United Nations System-wide Action Plan (UN-SWAP) on Gender Equality and the Empowerment of Women annual review <sup>54</sup>		Score equal to or above 9.0/12 (the threshold for exceeding requirements)	Score obtained in 2024: 11.5 (exceeds requirements)	Score from UN-SWAP, based on 12 IOE evaluations assessed in 2024
<b>Utilization of resources and cost-effectiveness</b>				
11. Percentage of non-staffing budget utilized	98.7% (2020)	95%-100%	99.3% (2024)	
12. Ratio of IOE budget to the programme of loans and grants	0.62% (2020)	≤0.90%	0.69% (2025)	The 0.90% cap was set by the Executive Board in 2008
13. Ratio of IOE budget to IFAD administrative budget	3.64%	Tracked	4.01% (2025)	

<sup>54</sup> The UN-SWAP on Gender Equality and the Empowerment of Women is a United Nations system-wide accountability framework designed to measure, monitor and drive progress toward a common set of standards to aspire and adhere to for the achievement of gender equality and the empowerment of women. It applies to all United Nations entities, departments and offices.

## IOE proposed evaluation activities for 2026

Table 1  
Proposed IOE work programme for 2026 by type of activity

Type of work	Proposed activities for 2026	Start date	Expected completion date
1. CLEs and reviews	Corporate-level evaluation of institutional and operational performance under IFAD11 and IFAD12	Jan-24	Feb-26
	Corporate-level evaluation of IFAD supplementary funding	Jan-26	Dec-26
	Corporate-level evaluation of IFAD's human resource management	Oct-25	Sep-26
2. SREs	Subregional evaluation of IFAD engagement in conflict-affected states in the Near East and North Africa	Jan-26	Dec-26
3. PCEs	Project cluster evaluation of water management in the Near East, North Africa and Europe (NEN) region	Oct-26	Sep-27
	Project cluster evaluation of agroecology practices in Latin America and the Caribbean (LAC)	June-26	May-27
4. CSPEs	Bangladesh	Jun-26	Jun-27
	Cambodia	Jun-26	Jun-27
	Pakistan	Jun-26	Jun-27
	Madagascar	Jan-26	Dec-26
	United Republic of Tanzania	Jun-26	May-27
	Uganda	Jun-26	Jun-27
	Tunisia	Oct-25	Sep-26
	Jordan	Jan-26	Dec-26
	Lebanon	Jan-26	Dec-26
	Central African Republic	Jan-26	Dec-26
	Togo	Jan-26	Dec-26
	Peru	Oct-25	Sep-26
	Mozambique	Oct-25	Sep-26
5. Project completion report validations (PCRVs)	Zimbabwe	Sep-25	Sep-26
	Validation of all project completion reports (PCRs) available in the year	Jan-26	Dec-26
6. PPEs	Asia and the Pacific (APR): India OPELIP	Feb-26	Oct-26
	APR: Bangladesh PACE	Feb-26	Oct-26
	NEN: Uzbekistan ADMP	Feb-26	Oct-26
	West and Central Africa (WCA): Central African Republic: PREPAS	Feb-26	Oct-26
	LAC: Be-Resilient	Feb-26	Oct-26
7. Engagement with governing bodies	Review of implementation of IOE's results-based work programme and budget for 2026 and preparation of results-based work programme and budget for 2027 and indicative plan for 2028-2029	Jan-26	Dec-26

Type of work	Proposed activities for 2026	Expected completion date	
		Start date	Completion date
	Third external peer review of IFAD's evaluation function	Oct-25	Oct-26
	Annual Report on the Independent Evaluation of IFAD (ARIE)	Jan-26	Sept-26
	IOE comments on the PRISMA	Jun-26	Sept-26
	IOE comments on the Report on IFAD's Development Effectiveness (RIDE)	Jun-26	Sept-26
	IOE comments on Management policies and strategies	Jan-26	Dec-26
	Participation in Evaluation Committee, Executive Board and Governing Council sessions, selected Audit Committee meetings and the 2026 Board country visit	Jan-26	Dec-26
	IOE comments on country strategic opportunities programmes (COSOPs), when related CSPEs are available	Jan-26	Dec-26
8. Communication and knowledge management activities	Evaluation reports, IOE website and communication activities	Jan-26	Dec-26
	Communicate the evaluation findings, disseminate the lessons and promote the utilization of evaluations	Jan-26	Dec-26
	EvalforEarth and other knowledge management platforms	Jan-26	Dec-26
9. Partnerships	Evaluation Cooperation Group (ECG), United Nations Evaluation Group (UNEG); Rome-based agency (RBA) collaboration	Jan-26	Dec-26
	Global Evaluation Initiative	Jan-26	Dec-26
	Collaboration with universities, think tanks and IntEVAL	Jan-26	Dec-26
	Contribution as external peer reviewer to evaluations by other multilateral and bilateral organizations, as requested	Jan-26	Dec-26
10. Methodology	Updating of artificial intelligence module of Evaluation Manual	Jan-26	Dec-26
	Annual workshop of the Evaluation Advisory Panel	May-26	Oct-26
11. Evaluation capacity development (ECD)	Engagement in ECD in the context of the Global Evaluation Initiative	Jan-26	Dec-26
	Organization of workshops in partner countries on evaluation methodologies and processes, as requested	Jan-26	Dec-26

## IOE's indicative plan for 2027–2028

Table 1  
IOE indicative plan for 2027–2028, by type of activity\*

Type of work	Indicative plan for 2027–2028	Year	Remarks
1. CLEs	IFAD's engagements supported by supplementary funding	2026–2027	To review the partnerships and initiatives in which IFAD is involved, as well as related funding sources, their management arrangements and their contribution to further IFAD's mandate.
	Use of information and communications technology for corporate processes and programmatic support	2028	To review the effectiveness and efficiency of IFAD's investment in information and communication technology for its business processes, as well as the progress made in harnessing the capabilities of digital technologies to better serve the needs of smallholder farmers and to provide Member States and IFAD with sharper tools for monitoring and evaluation and periodic in-depth assessments.
2. Thematic evaluations (TEs)	IFAD's engagement with the private sector	2028	After the first strategy approved in 2019, a new IFAD's private sector engagement strategy was approved in December 2024 for the period 2025–2030, which will reach its midterm in 2027. This thematic evaluation will provide an independent assessment of IFAD's private sector operations since its inception in 2019.
	IFAD's engagement with Indigenous Peoples	2027–2028	IFAD's Policy on Engagement with Indigenous Peoples, first developed in 2009, was updated in 2022. In response to a key recommendation emanating from the Seventh Global Meeting of the Indigenous Peoples' Forum at IFAD, IOE will conduct an evaluation to assess IFAD's engagement with Indigenous Peoples and the implementation of the revised policy.
3. Independent rapid review	IFAD ex ante quality-at-entry processes for country strategies and operations	2027–2028	To review processes for internal quality assessment of COSOPs, loans, grants and other operations before submission to IFAD's governing bodies.
4. CSPEs	Indonesia	2027	
	Nepal	2027	
	Angola	2027	
	Eritrea	2027	
	Sao Tome and Principe	2027	
	Costa Rica	2027	
	Brazil	2028	
5. PCRVs	Validate all PCRs available in the year	2027–2028	
6. PCEs	Water management in the NEN region	2026–2027	
7. PPEs	East and Southern Africa (ESA): Mozambique: PRODAPE	2027	
	WCA: Sierra Leone, Agricultural Value Chain Development Project	2027	

Type of work	Indicative plan for 2027–2028	Year	Remarks
	WCA: Niger, Family Farming Development Programme in Maradi, Tahoua and Zinder Regions, or Project to Strengthen Resilience of Rural Communities to Food and Nutrition Insecurity;	2027	
	WCA: The Gambia, Resilient Organizations for Transformative Smallholder Agriculture Project	2027	
8. Engagement with governing bodies	Annual Report on the Independent Evaluation of IFAD	2027–2028	
	Ex post review of implementation of the recommendations of selected strategic evaluations	2027–2028	
	Preparation of the results-based work programme and budget for 2027 and indicative plan for 2028–2029	2027–2028	
	IOE comments on the PRISMA	2027–2028	
	IOE comments on the RIDE	2027–2028	
	IOE comments on selected IFAD operational policies and strategies prepared by Management for consideration by the Evaluation Committee	2027–2028	
	Participation in all sessions of the Evaluation Committee, Executive Board and Governing Council, and the annual country visit of the Board	2027–2028	
	Annual workshop with the Evaluation Advisory Panel	2027–2028	
	IOE comments on COSOPs when related country programme evaluations/CSPEs are available	2027–2028	
9. Communication and knowledge management activities	Evaluation reports, IOE website and communication activities	2027–2028	
	Communicate the evaluation findings and disseminate the lessons	2027–2028	
	Promote utilization of evaluations	2027–2028	
	EvalforEarth and other knowledge management platforms	2027–2028	
10. Partnership	ECG, UNEG	2027–2028	
	Global Evaluation Initiative	2027–2028	
	RBA collaboration on evaluation	2027–2028	
	Contribute as external peer reviewer to key evaluations by other multilateral and bilateral organizations, as requested	2027–2028	
	Collaborate with universities and think tanks, contribute to IntEVAL	2027–2028	
11. ECD	Capacity-building for Member States	2027–2028	

\* The topics and number of TEs, CLEs, CSPEs, PCEs, SREs and evaluation synthesis reports are tentative; actual priorities and number of activities to be undertaken in 2027 and 2028 will be confirmed or determined in 2026 and 2027, respectively.

## IOE products

1. This annex presents the spectrum of IOE products between 1 January and 31 December 2024 and documents progress in the areas of leadership and strategy, the advancement of established outputs, the generation of new products and the improvement of staff capability and communications. The work has focused both internally and externally, noting that IOE operates within a global oversight architecture with the independent evaluation and oversight functions of other international financial institutions and UNEG.

### A. Improve evaluation coverage

2. As per the multi-year evaluation strategy of IOE, one of the strategic objectives of the Office during the period 2022–2027 is to improve evaluation coverage and promote transformative evaluations that reflect the scale and scope of IFAD operations, ensuring methodological rigour, attention to inclusiveness and cultural responsiveness, flexibility and cost-effectiveness.
3. In this context, between 1 January 2024 and 31 December 2024, IOE finalized 50 reports. Of these, 35 are publicly available on the IOE website, and 15 were pending final publication as of 31 December 2024.

#### Reports published

- **Annual Report on the Independent Evaluation of IFAD.** The 2024 ARIE is the twenty-second to be published by IOE. The report presents an overview of the performance of IFAD-supported operations, drawing from the evidence contained in IOE's independent evaluations. Project performance is derived from the ratings analysis of 297 projects completed and evaluated during the period 2013–2022. The analysis of non-lending activities in country programmes is derived from the 42 CSPEs conducted during the period 2014–2023. The 2024 ARIE focuses on two themes: (i) the relationship between cofinancing and project performance; and (ii) rural finance interventions.
- **Corporate-level evaluation of knowledge management practices in IFAD.** This report follows the evaluation, conducted by IOE, of knowledge management practices in IFAD in 2023. The evaluation flags the importance of a knowledge agenda that can underpin IFAD's ambition to become a leader on rural transformation. It acknowledges the quality of the many technical knowledge products, but also highlights the need to connect multiple kinds of knowledge, including local and contextual knowledge, in order to achieve transformative action. IFAD's growing field presence, together with the tangible nature of its interventions, position it well as a broker of local and contextual knowledge. The Fund has successfully mobilized multi-stakeholder processes for knowledge generation and sharing in many countries.
- **Subregional evaluation of IFAD's experience in the Dry Corridor of Central America.** IOE conducted its second SRE on IFAD's experience in the Dry Corridor of Central America. The SRE covered the period 2008 to 2023. The SRE found that IFAD has achieved a high coverage of municipalities in the Dry Corridor. Some interventions have promoted the socioeconomic transformation of rural areas. However, in the absence of specific strategic guidelines for the subregion and the Dry Corridor, it was difficult to adapt to the area's structural features. Project design did not take a territorial approach to prioritize and articulate interventions and generate a critical mass of investments.
- **Country strategy and programme evaluations.** The primary objective of a CSPE is to assess the performance and results of a country strategy and operations and provide lessons and recommendations to guide the preparation of the next country strategy. Its main users are divisional and

country directors, country teams and governments. During the reporting period, IOE published five CSPE reports:

- China CSPE
- Colombia CSPE
- Ethiopia CPSE
- Guinea-Bissau CSPE
- Kyrgyzstan CSPE
- **Project performance evaluations.** The primary objective of a PPE is to assess the performance and results of project-level operations funded by IFAD. Its main users are regional and country directors, technical advisors, operational staff and government counterparts. During the reporting period, IOE published two PPE reports:
  - Project to Improve the Resilience of Agricultural Systems in Chad (Chad)
  - Southern Laos Food and Nutrition Security and Market Linkages Programme (Lao People's Democratic Republic)
- **Project completion report validations.** The primary objective of a PCRV is to validate the project completion reports prepared by IFAD Management. Its main users are IOE and IFAD Management for reporting and feedback. During the reporting period, IOE published 25 PCRV reports:
  - Upper Tana Catchment Natural Resource Management Project, Kenya
  - Infrastructure and Rural Finance Support Programme, Armenia
  - Strategic Support for Food Security and Nutrition Project, Lao People's Democratic Republic
  - Rural Community Finance Project, Liberia
  - Public Services Improvement for Sustainable Territorial Development in the Apurimac, Ene and Mantaro River Basins Project, Peru
  - Kinshasa Food Supply Centre Support Programme, Democratic Republic of the Congo
  - Murat River Watershed Rehabilitation Project, Türkiye
  - Sustainable Development Project for Communities in Semi-arid Areas, Mexico
  - Dairy Value Chains Development Project, Uzbekistan
  - Integrated Participatory Development and Management of the Irrigation Project, Indonesia
  - Building Rural Entrepreneurial Capacities Project: Trust and Opportunity, Colombia
  - Convergence on Value Chain Enhancement for Rural Growth and Empowerment Project, Philippines
  - Adaptation for Smallholders in Hilly Areas Project, Nepal
  - Enhanced Smallholder Agribusiness Promotion Programme, Zambia
  - Ghana Agricultural Sector Investment Programme, Ghana
  - Agropastoral Value Chains Project in the Governorate of Médenine, Tunisia
  - Youth Agropastoral Entrepreneurship Promotion Programme, Cameroon
  - Rural Finance Expansion Programme, Zambia

- Haor Infrastructure and Livelihood Improvement Project, Bangladesh
- Kayonza Irrigation and Integrated Watershed Management Project – Phase I, Rwanda
- Rwanda Dairy Development Project, Rwanda
- Outer Islands Food and Water Project, Kiribati
- National Agricultural Technology Programme – Phase II Project, Bangladesh
- Rural Sustainable Development Project in the Semi-arid Region of Bahia (Pro-Semi-arid Project), Brazil
- Project for Restoration of Livelihoods in the Northern Region, Uganda

### **Reports completed**

- Corporate and thematic evaluations:
  - Thematic evaluation of gender equality and women's empowerment
  - Thematic evaluation of nutrition
- Country strategy and programme evaluations:
  - Argentina CSPE
  - Dominican Republic CSPE
  - Ghana CSPE
  - India CSPE
  - Mauritania CSPE
  - Rwanda CSPE
- Project performance evaluations:
  - Bosnia and Herzegovina PPE
  - Cabo Verde PPE
  - Lesotho PPE
  - Solomon Islands PPE
  - Sri Lanka PPE

## **B. Engage strategically with IFAD governance and Management**

4. As per the multi-year evaluation strategy of IOE, one of the strategic objectives of the Office during the period 2022–2027 is to engage with Management, Member States and external partners to support evaluation capacity and use within and outside IFAD.
5. In this context, during the reporting period IOE has placed increasing emphasis on engagement with Member States and IFAD Management, with a view to further promoting learning, accountability and reflection through independent evaluation. These efforts have taken shape through a series of corporate learning workshops, country learning workshops and an Executive Board field mission, in addition to engagement across IFAD's governance structure, including in the Governing Council, Executive Board, Evaluation Committee and Audit Committee.

### **Corporate learning workshops**

- Learning event on the thematic evaluation on IFAD's support to gender equality and women's empowerment

- Learning event on the corporate-level evaluation of knowledge management practices in IFAD

### **Country learning workshops**

- Dominican Republic, 16 December 2024
- Ghana, 22 October 2024
- India, 7 October 2024
- Mauritania, 1 October 2024
- Argentina, 10 September 2024
- Dry Corridor of Central America, 3 July 2024
- Türkiye, 16 April 2024
- Rwanda, 5 March 2024

### **Executive Board field mission**

6. The IOE Director joined a high-level delegation of IFAD's Executive Board members and IFAD senior staff for a working visit to Tunisia, from 3 November to 8 November 2024. During the mission, the delegation met with high-level government officials, and travelled to IFAD-supported projects in the country to see progress and meet with community members and rural farmers.

### **IFAD governance**

- Governing Council:
  - On 15 February, at its forty-seventh session, the IFAD Governing Council approved the IOE results-based work programme and budget for 2024 and indicative plan for 2025-2026.
- Executive Board:
  - On 22 April, the Executive Board retreat took place. During the retreat, Dr Naidoo delivered a presentation on the role of IOE in support of the Board. The presentation focused on the IOE evaluation model, and how the Office is fostering learning, driving impact and supporting change in IFAD.
  - On 24 April, the 141<sup>st</sup> session of the Executive Board took place. During the meeting, the Colombia CSPE was positively reviewed.
  - On 18 and 19 September, the 142<sup>nd</sup> session of the Executive Board took place. Items positively reviewed included the 2024 ARIE, the CLE on knowledge management, and the thematic evaluation on gender.
  - On 11 and 12 December, the 143<sup>rd</sup> session of the Executive Board took place. Documents positively discussed included IOE's results-based work programme and budget for 2025 and indicative plan for 2026-2027; the Argentina CSPE; and the China CSPE.
- Evaluation Committee:
  - On 22 March, the 124<sup>th</sup> session of the Evaluation Committee took place. Reports and documents well received included: the Rwanda CSPE; the PCE on rural finance in the ESA region; the approach paper for the thematic evaluation of IFAD's support to nutrition; and the SRE on IFAD's experience in the Dry Corridor of Central America.
  - On 19 June, the 125<sup>th</sup> session of the Evaluation Committee took place. Reports well received included the Türkiye CSPE; the CLE on knowledge

management; the thematic evaluation on gender; and the proposed dates for sessions of the Evaluation Committee in 2025.

- On 6 September, the 126<sup>th</sup> session of the Evaluation Committee took place. Reports positively received included the 2024 ARIE, IOE comments on the 2024 RIDE, IOE comments on the PRISMA, the approach paper for the CLE on IFAD11 and IFAD12, and the work programmes for 2025 and 2026–2027.
- On 31 October, the 127<sup>th</sup> session of the Evaluation Committee took place. Documents positively received were the India CSPE; the revised results-based work programme and budget for 2025 and indicative plan for 2026–2027 of IOE; the provisional agenda of the Evaluation Committee for 2025; and the Argentina CSPE.

## **C. Expand and deepen IOE's leadership role in building global evaluations**

7. As per the multi-year evaluation strategy of IOE, one of the strategic objectives of the Office during the period 2022–2027 is to retain and deepen IOE's position as an internationally recognized leader in the evaluation of rural development programmes, policies and strategies by further strengthening the relevance of its work, promoting innovative approaches and enhancing collaboration with other organizations, and with think tanks and universities.
8. In this context, during the reporting period, a set of initiatives seeking to overall advance the quality of evaluations in IFAD were completed, each of which introduces an element to support effective planning and a common terminological and methodological understanding, and advance the capacity of staff.

### **Improvement of IOE evaluation quality**

- **IOE knowledge management toolbox.** As part of its CLE on knowledge management, IOE developed a toolbox to evaluate knowledge management practices. The toolbox comprises three distinct but related resources: (i) mapping of knowledge-sharing and dissemination of selected IFAD signature solutions, which have improved the lives of rural people; (ii) tracking of IFAD's knowledge management practices through a rubric that evaluates outcomes in terms of transformation on a country-by-country basis; and (iii) capturing local and Indigenous knowledge through two remote participatory video evaluation pilots in Brazil and Peru.
- **IOE Evaluation Advisory Panel.** The second IOE Evaluation Advisory Panel (EAP) held its first annual meeting on 14 and 15 November 2023. EAP affirmed that IOE is one of the best evaluation offices in the multilateral development system. IOE's evaluations are very participatory, especially since the evaluators are very much in touch with the beneficiaries and other stakeholders. Distinguished country representatives of the IFAD Evaluation Committee attended the event, alongside representatives of IFAD Management.
- **Research publications.** IOE improves the quality of evaluative products through the production of a suite of new substantive research publications. Each of these publications aims to improve the conceptual and methodological underpinnings of independent evaluation at IFAD. Pieces produced during 2024 include the following:
  - Review of the implementation of Management's response to the 2018 corporate-level evaluation of IFAD's financial architecture.
  - Review of the IFAD12 Results Management Framework.

- **IOE staff.** The professional development of IOE staff has been enhanced through the hiring of new staff and a process of continuous training and skills building.

### Professionalization

- **Evaluation Cooperation Group (ECG).** IOE actively participated in the ECG spring meeting on 12 and 13 March 2024. The four key themes of the session were: evaluation of private sector operations; advances by multilateral development banks on their path to becoming key green financiers; methodology of evaluation synthesis; and evaluating capital increase and corporate strategies of parent institutions [[here](#)]. IOE also actively participated in the ECG fall 2024 meeting, on 13 November 2024, during which Dr Naidoo presented some of the conceptual underpinnings, structural specifications and logistical arrangements of the next two ECG meetings, which will be held in Rome and chaired by IOE.
- **Global Evaluation Initiative (GEI).** On 6 December 2024, IOE hosted the GEI partnership council meeting at IFAD headquarters in Rome.
- **United Nations Evaluation Group.** IOE actively contributed to the UNEG EvalWeek 2024, which took place in Malaga from 29 January to 2 February 2024. IOE presented a strong offering, with a five-person team in attendance. On 30 January, Dr Naidoo and Dr Alexander Voccia delivered a joint presentation in the Evaluation Practice Exchange (EPE) seminar titled "What does it take to build a credible, independent evaluation function?" Later the same day, Fabrizio Felloni, Dr Kouassi Maximin Kodjo and Massiel Jiménez hosted a session titled "The crisis of linear thinking: Combining theory of change and systems thinking in complex strategic and policy evaluations", in which they also delivered a joint presentation. In addition, Mr Felloni acted as a presenter during the EPE session titled "Evaluating policy influence".

### Participation

- **Global invitations.** IOE staff were invited to deliver presentations and participate in 11 international events:
  - Global Impact Evaluation Forum 2024;
  - SAMEA 9<sup>th</sup> Biennial Conference;
  - European Evaluation Society Biennial Conference 2024;
  - African Development Bank Development Evaluation Week 2024;
  - United Nations High-level Political Forum 2024;
  - Introductory Monitoring and Evaluation Capacity-Building Programme, organized by Innovations for Poverty Action and the International Rice Research Institute;
  - Food and Sustainability Certificate Programme on-site experience;
  - gLOCAL 2024;
  - 11<sup>th</sup> International Conference of the African Evaluation Society;
  - 4<sup>th</sup> International Conference on Evaluating Environment and Development; and
  - 10<sup>th</sup> Annual Meeting of the Middle East and North Africa Evaluation Network (EvalMENA) and First National EgyEval Meeting.
- **International Research Group for Policy and Programme Evaluation (INTEVAL).** IOE participated in the 39<sup>th</sup> Annual Meeting of INTEVAL, a

multidisciplinary constellation of world-renown expert evaluation leaders and distinguished authors. INTEVAL's members addressed the key strategic issues that define the evolution of the evaluation function, with the aim of shaping the international debate and advancing the discipline within the context of the everchanging global landscape.

## **D. Enhance IOE strategic communication, outreach and knowledge management**

9. A range of communication resources defines IOE's visual persona and brand identity, embodying its independent status. Through this assortment of products, IOE continues to build safe spaces for user interaction that invite its stakeholders to continuously reach out and engage with the Office's outputs in a more accessible manner.

### **Public resources**

- **IOE website.** The website, for which IOE maintains full intellectual ownership, is structured to best meet the specific needs of IOE, with the adoption of dynamic functionalities that maximize opportunities for user engagement. It also ensures an intuitive, easy navigation experience as the Office moves forward in building evaluation capacity across IFAD, advancing the IOE conduct model, and building bridges through evaluation dialogues to enhance understanding and improve performance. Following the launch of the website in March 2022, an independent Google Analytics tracking dashboard was finalized in April 2022. Since the launch of the dashboard, the website has totalled 300,000 views from 92,000 users across 218 countries and dependent territories, as of 31 December 2024.
- **Independent Magazine.** As IOE's flagship communication product, *Independent Magazine* brings to the forefront of the global development dialogue the major efforts undertaken by IOE, while seeking to advance IFAD's vision of vibrant, inclusive and sustainable rural economies, where people live free from poverty and hunger. In 2024, IOE published three editions of the magazine, bringing the cumulative total number of readers to 40,000 across 130 countries as of 31 December 2024.
- **Social media.** IOE has a strong, active and vibrant social media presence, which allows the Office to keep its stakeholders updated in real time of its latest endeavours, while ensuring that its stakeholders are able to interact with the Office in an ongoing and fluid fashion. In 2024, IOE has continued to grow its following on X, reaching 3,600 followers; LinkedIn, reaching 7,700 followers; and YouTube, reaching 776 subscribers, as of 31 December 2024.
- **IOE newsletter.** The IOE newsletter promotes transparency and shares knowledge with partners and stakeholders about key developments related to IOE's work. The newsletter is aligned with IOE's visual identity and strategic approach to communications. The broad readership of the newsletter ensures that IOE stakeholders have quick access to the latest outputs of the Office. In 2024, IOE published three issues of the newsletter.
- **News items.** The IOE news items capture the undertakings of the Office, highlighting key take-home messages. The breadth of issues addressed by the items ranges from the publishing of reports, to meetings, events, new products and opportunities for engagement with the Office. In 2024, IOE published 32 news items.
- **Video series.** In 2024, IOE published 24 videos. This reflects a broadened list of video products, which now include five separate formats: *60 seconds with the Director* [[here](#)]. The video series offer easy-to-digest insights into

the IOE Director's perspectives on a number of salient, evaluation-related issues. In 2024, IOE published five instalments in the series.

- **Report-sharing videos.** Through its promotional videos, IOE provides enhanced visibility to key substantive issues at the heart of the international evaluation debate, while bringing to the forefront important new outputs produced by the Office. In 2024, IOE produced three promotional videos.
- **Podcast interviews.** Podcast interviews offer the opportunity to delve into specific evaluation issues. Discussions focus on key areas of interest, which are addressed through open and candid conversations, during which interviewer and interviewee exchange thoughts, opinions and perspectives. In 2024, IOE published one podcast interview.
- **Events.** Event videos present corporate learning workshops with the involvement and participation of IFAD Senior Management, regional and country directors, and other staff members. The series also features country learning workshops, on a select basis. In 2024, IOE published one event video.
- **Participatory video evaluation pilots (PVEs).** The eight PVEs carried out in Brazil and Peru look for innovative approaches to enhance the impact of IFAD's programmes and include the voices of local and Indigenous communities. In particular, they help to: address underrepresentation and remote access; gain a deeper understanding of the needs and successes of these communities; and ensure that their voices are included in evaluations.
- **IOE Coffee Talk series.** Each instalment of the previously presented talk series is captured through new fact sheets. In 2024, IOE published six Coffee Talk sheets.
- **IOE blogs.** Blogs advance IOE's critical thinking vis-à-vis issues at the heart of the international evaluation debate, stimulating thought-provoking dialogue and debate. In 2024, IOE staff published three blogs.
- **Infographics.** IOE's re-envisioned infographics offer an invaluable compendium to its evaluation reports. Each infographic presents soundbite report extracts, packaged in visually appealing solutions.

### **Internal resources**

- **Media coverage reports.** IOE issued two media coverage reports, in January 2024 and June 2024, covering the last semester of 2023 and the first semester of 2024, respectively. The reports present the latest data, statistics and trends relative to the Office's website, social media platforms and select IOE products. Findings include IOE's continued leadership role in methodological and strategic debates at the international level, and IOE's strong presence in the spotlight at critical decision-making times for IFAD.
- **Director's bulletin.** The bulletin responds to the IOE Director's personal commitment to transparent and proactive internal communication. The bulletin serves as a valuable resource to record IOE outputs, engagements and activities. In 2024, IOE issued 10 editions of the bulletin.

## Examples of feedback from governing bodies and from Management received by IOE

Table 1

### Examples of feedback from governments

<p><b>Argentina CSPE [10 Sept 2024]</b></p> <p>“Also, our thanks to IOE for the excellent job. As the Regional Director of IFAD just said, they had to do this work in a short period of time, in a very large country such as Argentina, where it is not that easy to get to every single corner of the country. Small-scale family farmers have benefited greatly from your efforts.”</p>
<p>- <b>Mr Raúl Castellini, Director of Management and Monitoring of Sectoral and Special Programmes and Projects of the Ministry of Economy</b></p>
<p><b>Mauritania CSPE [1 Oct 2024]</b></p> <p>“Before concluding, I would like to congratulate IFAD for its constant and efficient support for Mauritania’s development, and also the Independent Office of Evaluation of IFAD on the quality of the evaluation report, whose main conclusions and recommendations are shared, and support the country’s strategic development levers.”</p>
<p>- <b>Mr Moustapha Ould Sidi Mohamed, Economic Advisor in charge of Development, Acting Secretary General of the Ministry of Economy and Finance</b></p>
<p><b>Ghana CSPE [22 Oct 2024]</b></p> <p>“I also wish to commend the Independent Office of Evaluation of IFAD for an excellent job. Indeed, the evaluation findings as presented are a true reflection of the two country strategic opportunities programmes for 2013–2018 and 2019–2024. [...] I have carefully looked at the evaluation recommendations on the orientations of future interventions and I support all five recommendations by the IOE. These are not different from the Government’s position going forward. [...] It is my hope that these recommendations will guide the design of future IFAD strategy in Ghana.”</p>
<p>- <b>The Honourable Dr Bryan Acheampong, Minister for Food and Agriculture</b></p>
<p><b>Egypt CSPE [17 Feb 2025]</b></p> <p>“In conclusion, we would like to express our appreciation and gratitude to the evaluation team of IFAD and its team in Egypt. We thank them for their considerable efforts. We appreciate the recommendations arising from this evaluation and in that respect the Ministry of Agriculture will continue to meet its obligations and uphold its commitment in working together with IFAD, and to work towards a better collaboration and partnership with IFAD and other institutions.”</p>
<p>- <b>Dr Naeem Moselhy, Minister’s Advisor for Follow-up and Evaluation and National Coordinator of the Promoting Resilience in Desert Environments (PRIDE) Project, Ministry of Agriculture and Land Reclamation</b></p>
<p><b>Lao People’s Democratic Republic CSPE [6 May 2025]</b></p> <p>“On behalf of the Government, I would like to express our sincere thanks to the Independent Office of Evaluation of IFAD for the comprehensive country strategy and programme evaluation [...] I am pleased to note that during today’s platform we were informed on the important findings of the first country strategy and programme evaluation for the Lao People’s Democratic Republic. Covering 13 years of investments between IFAD and the Government, from 2011 to 2023, we also found insightful the discussion on the key strategies, technical recommendations and suggestions [...] for improving the implementation of our partnership project between the Lao People’s Democratic Republic and IFAD, and to serve as key input for IFAD13 considerations, namely the new COSOP for 2026–2031 [...]. Again, the Government of the Lao People’s Democratic Republic is in full agreement with the five recommendations of the CSPE and we will continue working to cover them in our strategic thinking and realistic planning to support the upcoming development of the new COSOP.”</p>
<p>- <b>Ms Sifong Oumavong, Deputy Director General, External Finance Department, Ministry of Finance</b></p>

Table 2  
**Examples of feedback from Management**

<p><b>Argentina CSPE [10 Sept 2024]</b></p> <p>“I would also like to recognize the wonderful job carried out by the Independent Office of Evaluation of IFAD, which carried out an external evaluation on rural development for over a decade in such a diverse country as Argentina, which is not an easy task. And in addition, if we consider the complexity of the governance and the execution of the portfolio that includes different ministries, different governmental bodies and different local municipal government bodies, universities, research institutes and social and productive networks, we can reach the conclusion that we are actually up against a very difficult task, and despite all of this the evaluation report does provide us with very relevant information on the achievements, learnings and challenges that have come up in the last decade. We are on the verge of approving a new country strategy and so the findings of this evaluation are extremely important to the Argentinian Government and to those who will be our main partners in the future.”</p>
<p>- <b>Ms Rossana Polastri, Regional Director, Latin America and the Caribbean Division</b></p> <p><b>Egypt CSPE [17 Feb 2025]</b></p> <p>“I would like to take this moment to extend my gratitude to the Government of the Arab Republic of Egypt, and to IFAD’s Independent Office of Evaluation, for this valuable evaluation. This is a very important report as I said, and it is giving us clear recommendations and clear directions on where we can improve in working together and improve the portfolio. [...] We appreciate the detailed analysis and feedback stemming from this evaluation exercise. We will utilize the findings to further enhance our operations and foster the sustainability of our interventions, especially those related to marketing and value chains. [...] Let me close by expressing the commitment that together we will use this evaluation to build a more effective and efficient IFAD country programme, ultimately delivering the best possible development impact for the rural people of Egypt.”</p>
<p>- <b>Mr Naoufel Telahigue, Regional Director, Near East, North Africa and Europe Division</b></p> <p><b>Thematic evaluation on IFAD’s support to gender equality and women’s empowerment [9 Dec 2024]</b></p> <p>“Again, thanks a lot to the team. This [evaluation] is really guiding our work to take forward and bring to an increased level of effectiveness our work on GEWE.”</p>
<p>- <b>Mr Juan Carlos Mendoza Casadiegos, Director, Environment, Climate, Gender and Social Inclusion Division</b></p> <p><b>Egypt CSPE [17 Feb 2025]</b></p> <p>“Last but not least, I would like to thank IFAD’s Independent Office of Evaluation for this rigorous evaluation and for ensuring that its timing is aligned with the design of the new country strategic opportunities programme that is being developed for the period 2025-2030 [...] I am confident that our deliberations will be instrumental in paving the way to an even better and stronger country strategy going forward.”</p>
<p>- <b>Mr Donal Brown, Associate Vice-President, Department for Country Operations</b></p>

## Summary infographic

