



IFAD10 programme of work

June 2014

Part 1

- The development context
- Priorities under IFAD10
- Consolidation for post-2015
- Mainstreaming critical themes

Part 2

- The replenishment – some key terms
- Factors shaping the replenishment
- The three replenishment scenarios
- Distribution of IFAD10 loans and grants

Part 3

- Measuring results and impact under IFAD10

The development context for IFAD10



- Rapid macro-economic growth in many developing countries, rapid decline in poverty rates, MDG1 likely to be achieved globally
- And yet:
 - 840 million people still living in hunger, 1.2 billion people living in extreme poverty - at least 70% rural and most dependent on agriculture
 - In substantial number of countries MDG1 will **not** be achieved, and in some – particularly fragile/conflict-prone - poverty **numbers** still increasing
- Post-2015 development agenda will set new, and more ambitious, goals for sustainable development

Priorities under IFAD10



- The development context, and IFAD's mandate, provide the basis for IFAD's Strategic Vision 2016-2025
- Programme of work will contribute to achieving the Strategic Vision
- Thematic areas of work not expected to change substantially from those of Strategic Framework 2011-2015:
 - *natural resource management*
 - *climate change adaptation / mitigation*
 - *agricultural technologies and production services*
 - *financial services*
 - *agricultural value chains*
 - *rural enterprise development and non-farm employment*
 - *technical and vocational skills development*
 - *support to rural producers' organizations*

Consolidation for post-2015



- Smallholder agriculture and rural transformation must necessarily be part of post-2015 development agenda
- Four entry points for IFAD to contribute:
 - a) Investing in smallholder agriculture for global food security and nutrition
 - b) Promoting empowerment for rural livelihoods
 - c) Promoting the resilience of poor rural women and men
 - d) Leveraging the rural-urban nexus for development

Mainstreaming critical themes



- Critical cross-cutting themes will be mainstreamed - given new and strengthened emphasis under IFAD10:
 - Innovation, learning and scaling up
 - Adaptation to climate change
 - Improved nutritional impact
 - Public-private-producer partnerships
 - Gender equality and women's empowerment
 - Country-level policy engagement
 - Global policy dialogue

The replenishment – some key terms



- The **programme of loans and grants (PoLG)**: the total of IFAD resources committed to all projects approved during IFAD10
 - PoLG financed from two sources: the replenishment and IFAD's own resources/future net flows
- The **programme of work (PoW)**: the total value of all projects approved during IFAD10
 - PoW made up of the PoLG, plus all expected cofinancing for those projects
 - Based on assumed ratio of IFAD funding to cofinancing of 1 to 1.2

Factors shaping the replenishment



- Factors shaping the scope of the IFAD10 replenishment
 - **Total demand for IFAD loans and grants:** approximately US\$4.9 billion. Cost of achieving climate resilience increases overall requirements to **US\$5.5 billion**
 - **IFAD's capacity to manage them:** under IFAD8, IFAD expanded its PoLG to US\$3 billion, while improving operational performance, development impact and administrative efficiency
Capacity is well established
 - **Availability of resources:** financial austerity in many Member States suggests a challenge to raise the funds required

The three replenishment scenarios



- Starting point is three levels of PoLG: US\$3.0 billion, US\$3.2 billion and US\$2.8 billion
- These determine requirements for the replenishments, at US\$1.44 billion, US\$1.53 billion and US\$1.34 billion

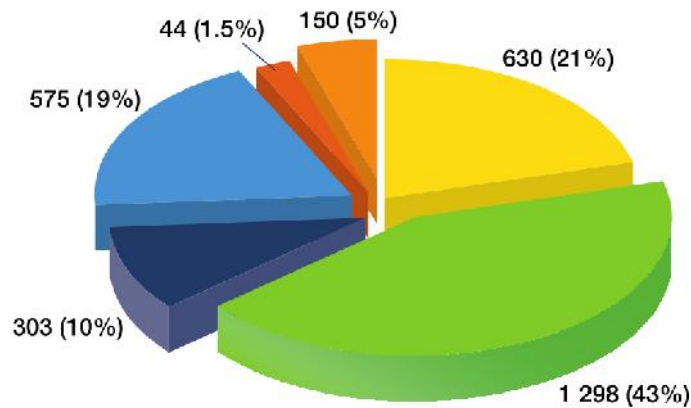
Scenario	PoLG	PoW	Source of resources for PoLG	
	US\$ billion		Replenishment	IFAD own resources
Medium case	3.0	6.6	1.44	1.56
High case	3.2	7.0	1.53	1.67
Low case	2.8	6.2	1.34	1.46

- These figures will be discussed in more detail in the IFAD10 Financial Framework presentation

Distribution of IFAD10 loans and grants

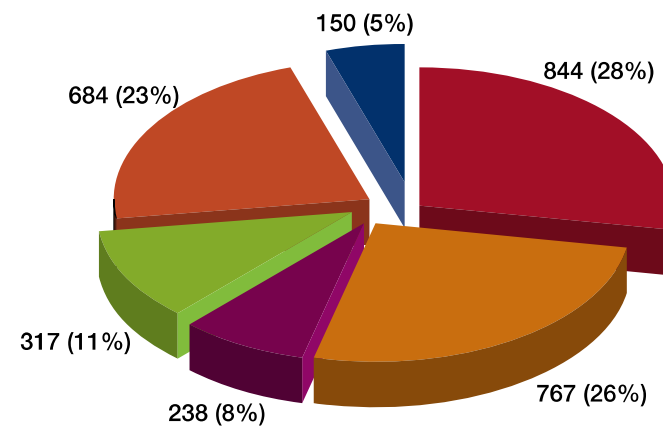


By financial modality
(US\$ million)



- Debt sustainability framework
- Highly concessional
- Ordinary
- Blend
- Global/regional grants
- Country grants

By region
(US\$ million)



- Asia and the Pacific
- East and Southern Africa
- Latin America and Caribbean
- Near East, North Africa, Europe
- West and Central Africa
- Global and regional grants

Distribution of resources determined by PBAS – review of specific elements of PBAS formula by EB working group is suggested

Measuring results and impact under IFAD10



- IFAD will measure and report on results and impact
- Provisional targets for delivery and development impact defined, based on IFAD9 approach and results to date:

Scenario	Millions of people	
	Reached	Taken out of poverty
IFAD10 scenario		
High case	100	90
Medium case	90	80
Low case	80	70

- These, plus outcome targets, to be further developed in *IFAD10 Results Measurement Framework* (Oct. session)