

**List A statement on: *Draft report of the Consultation on the Tenth Replenishment of IFAD's Resources***  
**IFAD10, October session**

1. I am speaking on behalf of List A. We thank IFAD for the draft Report, which provides a well-articulated context for IFAD's work. We welcome the focus on: systemic solutions to achieving inclusive and sustainable rural transformation, based on investing with smallholder farmers and diversifying rural economies; the contribution that IFAD can make to the post-2015 development agenda in relation to IFAD's comparative and absolute advantages; and, linked to the Results Measurement Framework, a Theory of Change – which we hope IFAD will continue to develop so that it is even clearer for the final version. We support the greater focus on operational priorities, based on the mainstreaming, scaling up and innovation agendas, and would appreciate the Report also addressing the question of selectivity.
2. As the Report highlights, IFAD's results are at risk from the effects of climate change. Building on ASAP, we encourage IFAD to fully mainstream climate work by the end of IFAD10. Updates on plans, and any costs, to expand IFAD's role in managing climate finance would be welcome.
3. We would like to see greater ambition in the commitment matrix. On nutrition, for example, whilst we welcome 100% of COSOPs being nutrition sensitive, we believe IFAD can do more than integrating nutrition challenges in one third of projects. We ask for more ambitious project-level targets with clear nutrition outcomes. The matrix should reflect the commitment to developing an Action Plan on Nutrition, setting out targets with clear timelines. More information on additional resources and internal training required would also be useful.
4. We encourage IFAD to be bolder in terms of leadership on gender and more ambitious and specific about what it plans to do during IFAD10. So, for example, we would like to see IFAD raise the bar on project ratings and ensure gender-responsive budgeting. Commitments should also be included on addressing areas under the UN SWAP that remain challenging, including the use of gender focal points.
5. We welcome the focus on the creation of inclusive value-chains based on the public-private-producer partnerships (4Ps) approach, and would like to see more on IFAD's plans to engage with the corporate private sector, based on the recently signed agreements with Unilever and Intel. How could such innovative partnerships be enhanced or replicated in IFAD10?
6. The proposed goal for IFAD10 is "to enable [80 million] rural people to move out of poverty", which is also the target for IFAD9. As discussed under the Results Measurement Framework item, more information on the methodology for setting targets would be useful. We would also encourage targets for faster disbursement rates.

7. In many sections of the Report, reference is made to the use of grants. However, as an evaluation and the development of a new comprehensive grant policy are underway, we believe that it would be preferable not to commit to the use of grants at this stage.
8. Under the item on financing, we have already expressed our views against including market borrowing as a funding option for IFAD10. We also raised questions about IFAD's capacity, long-term financial consequences, and wider implications linked to IFAD's ambition to increase its programme by 50% by borrowing up to US\$1.5 billion.
9. In the context of a phased approach, we support IFAD's proposal to update the MIC strategy. We would like to see the application of the 2011 paper on *IFAD's Engagement with Middle-Income Countries* through the proposed annual reporting on MICs and their use of financial instruments and services. This would help in providing an update on countries borrowing from IFAD on blend and ordinary terms.
10. We appreciate that IFAD can address the introduction of more differentiated approaches through COSOPs on a case-by-case basis and suggest that guidelines be updated on expected levels of counterpart and co-financing to ensure a more systematic approach. Domestic counterpart-financing is an important source of funding for IFAD's programmes and we believe that there is scope to expand it in IFAD10. We recall the CLEE's remark that it is reasonable to expect greater cost-sharing with MICs and would like the Report to expand on this point, with clear targets.
11. We recognise that IFAD is in a transitional phase. Indeed, this reflects discussions taking place globally and we are ready to consider proposals on how IFAD will adapt to a changing environment for the future in a systematic way. We support a review of the PBAS formula in time for IFAD10. Different scenarios could be developed, perhaps varying the GNI/capita exponent. This could then feed into discussions on possible options for the future.

Thank-you very much.