



Draft report of the Consultation on the Eleventh Replenishment of IFAD's resources

Leaving no one behind: IFAD's role in the 2030 Agenda

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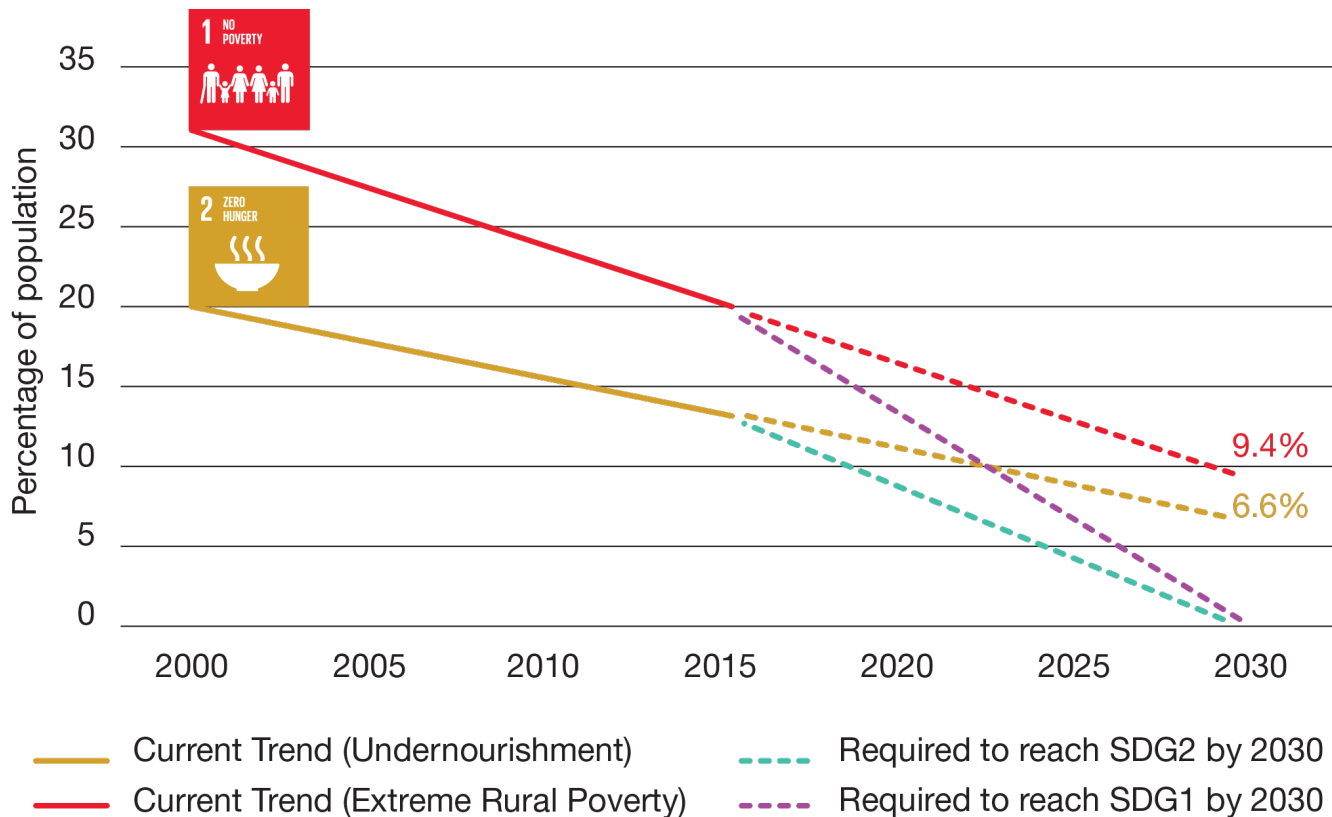
Consultation on the Eleventh Replenishment of IFAD's resources: third session

19-20 October 2017



Investing in rural people

Business as usual is not sufficient



SOFI 2017
Increase in global hunger in 2016

Prevalence of undernourishment
(SDG indicator 2.1.1)
777→815 million people

Prevalence of severe food insecurity
(SDG indicator 2.1.2)
645→689 million people



IFAD plays a central role in leaving no one behind

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FIDA11

1 2 3 4 5 6 7 8 9 10



General policies and investments

Broad-based economic growth → Structural transformation

Agricultural growth → Rural transformation



Targeted policies and investments for poor and food insecure rural people

Social protection and humanitarian assistance

Productive transformation

IFAD plays a central role in leaving no one behind

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Productive transformation



increase production



increase market access



greater resilience



greater economic mobility

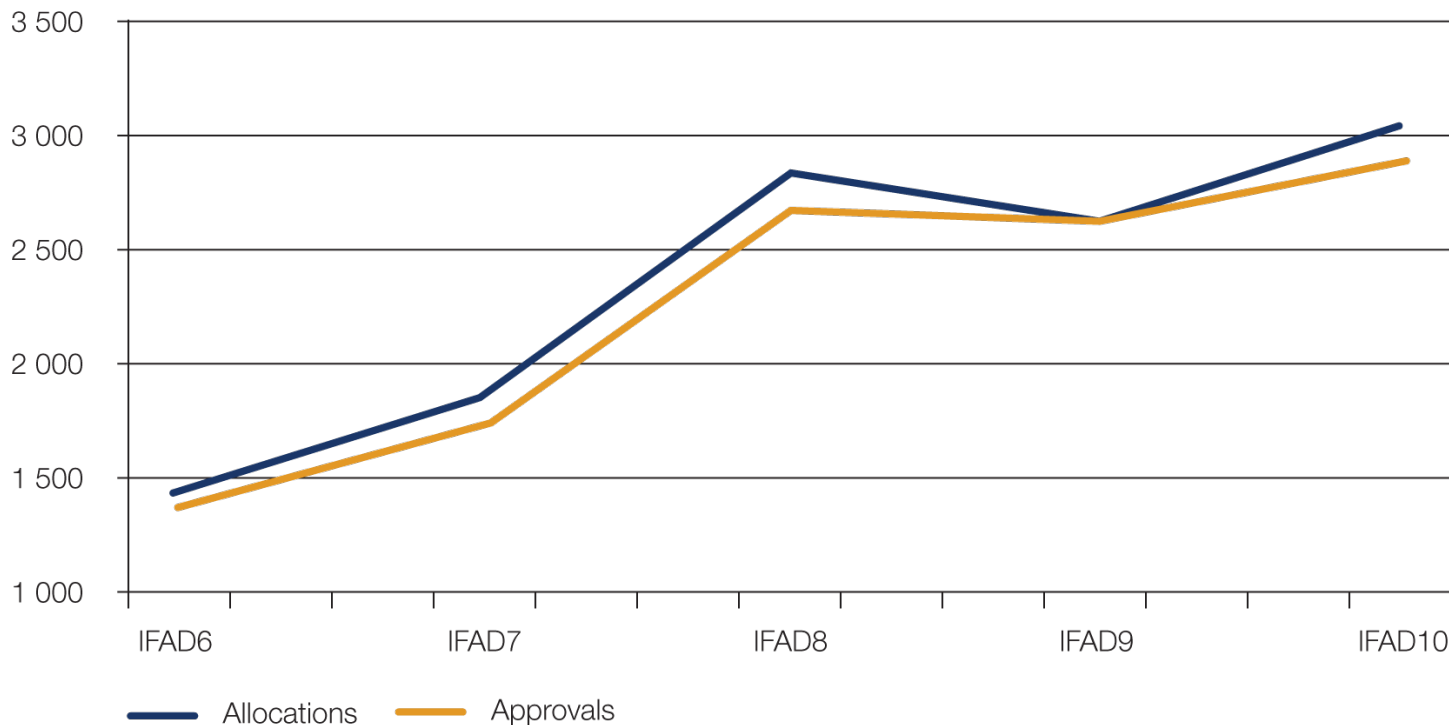


IFAD has the capacity to deliver bigger, better and smarter



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Allocation versus approvals, IFAD6-IFAD10

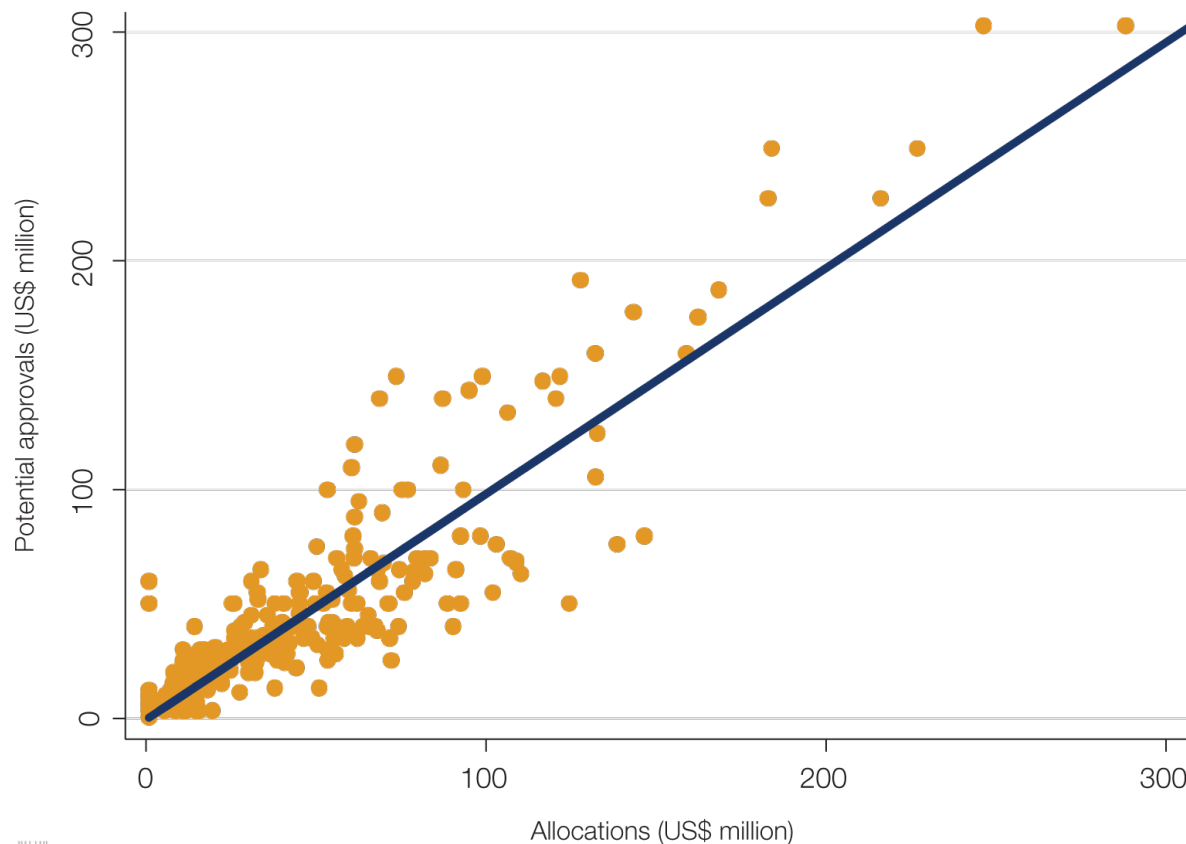


IFAD has the capacity to deliver bigger, better and smarter



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Projected allocations versus potential approvals



IFAD has the capacity to deliver bigger, better and smarter



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IFAD11 business model

Current constraints

Immediate solutions

Resource mobilization



Enhance policy dialogue and partnerships

Resource allocation



Enhance country and project selectivity

Resource utilization



Balance old and new projects

Transforming resources



More evidence based and Value for Money



Re-engineered country-based model



Making HQ fit for purpose



More delegation to frontlines



Creating a results-based architecture



Recalibrating business processes



Investing in rural people

IFAD will leverage development finance

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IFAD11 POLG

- Core contributions
- Concessional Partner Loans and sovereign borrowing
- Preparation for market borrowing



International co-financing

- Focus on climate change and fragile states
- Level-up to best performing regions, such as ESA and APR



Domestic co-financing

- Facilitated by increased project size
- Boost in MICs, particularly NEN and LAC



Private sector

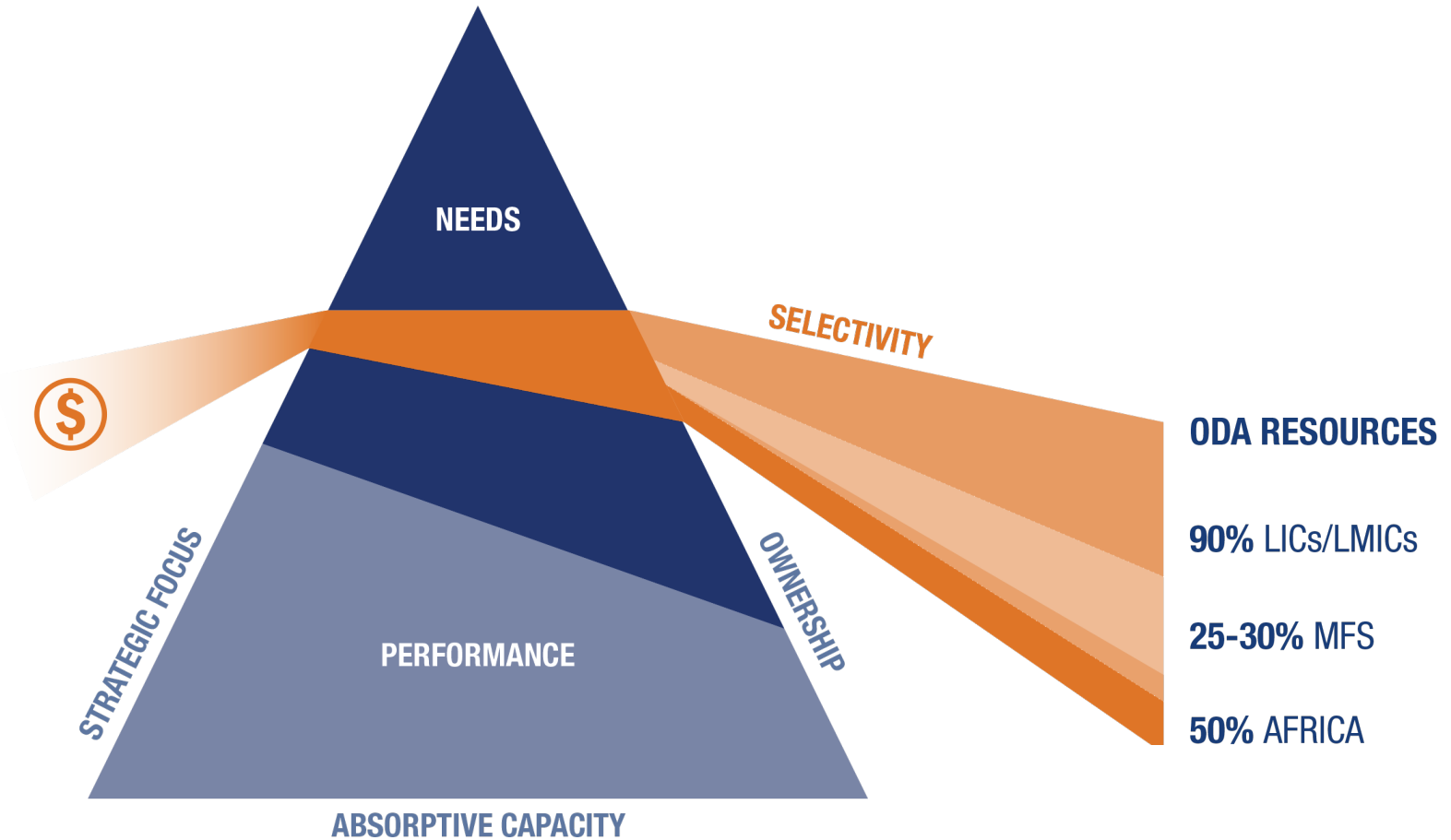
- Public-Private-Producers Partnerships (4Ps)
- Smallholder and SME Investment Finance (SIF)
- Improved measurement

IFAD's investments will target the poorest people and the poorest countries



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Performance-based allocation system



Investing in rural people

IFAD's investments will target the poorest people and the poorest countries

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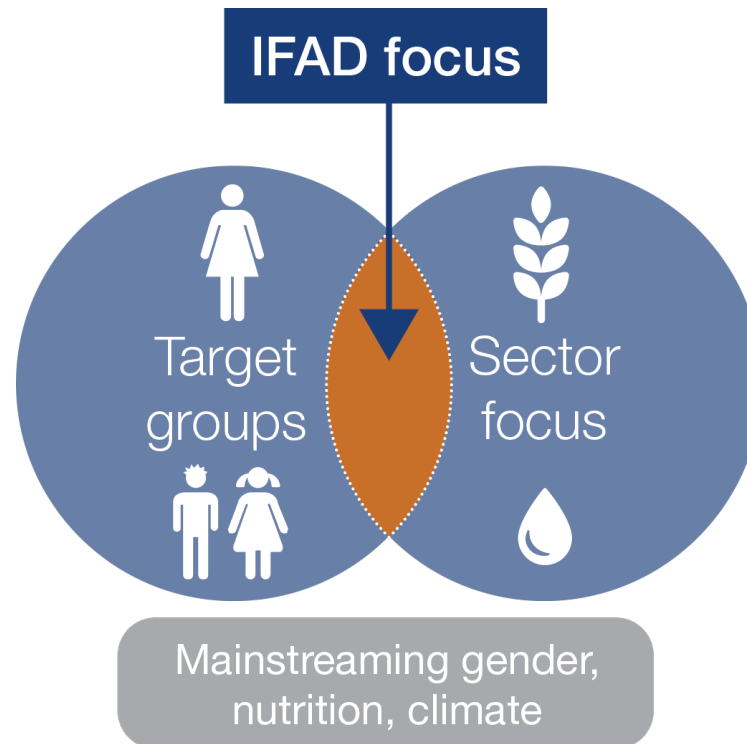
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- Targeting **extremely poor people**
- Strong focus on **women**
- Emphasis on **youth**

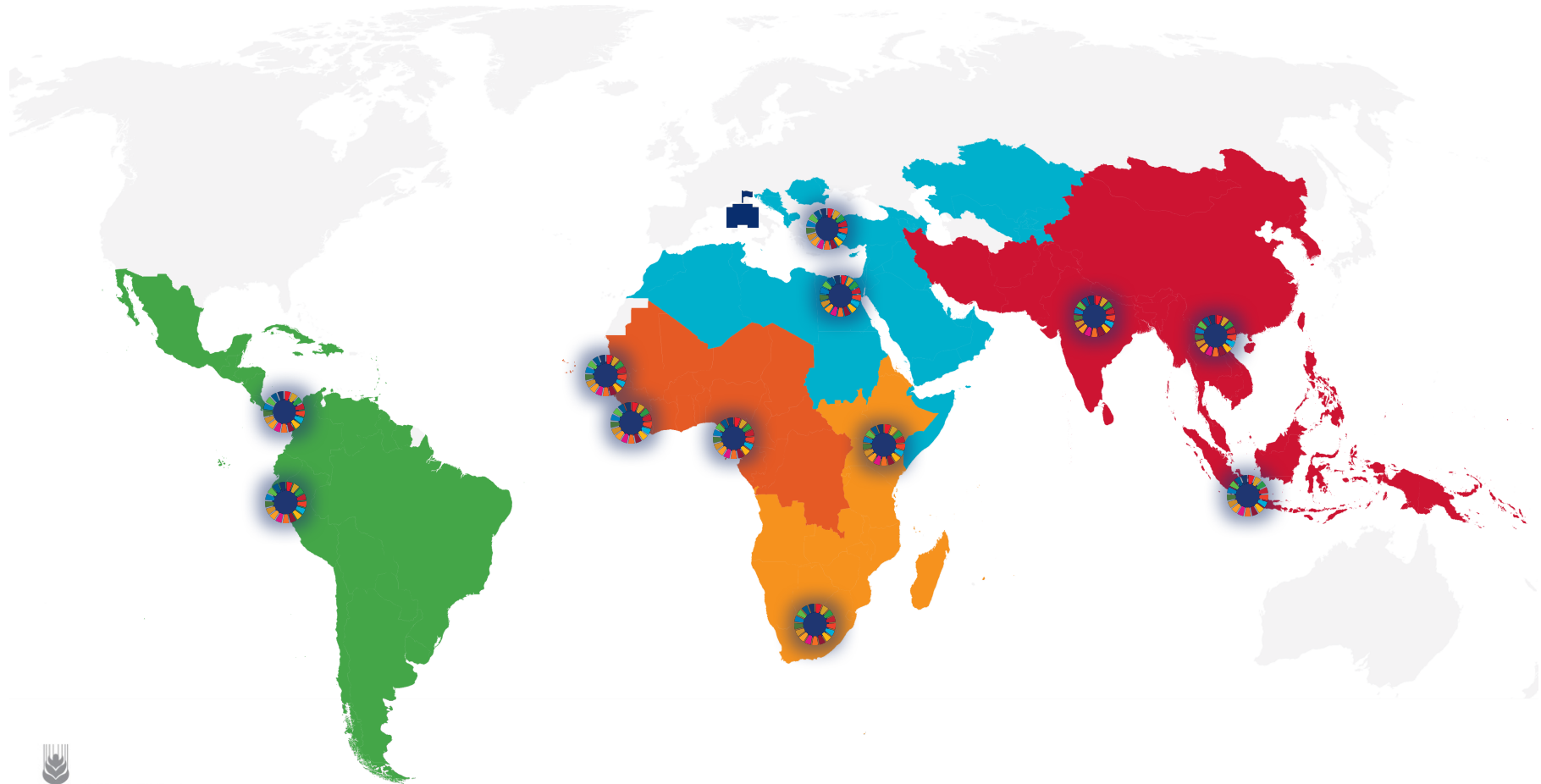


- **People** centred
- Investing in **productive rural sector** (agriculture, value chain, infrastructure)
- Fostering growth of rural **institutions**

IFAD will streamline its processes to better respond to country needs

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IFAD will streamline its processes to better respond to country needs

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FIDA11

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Policy

Projects

Country Director

IFAD will streamline its processes to better respond to country needs

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- ➔ Delegate to frontlines
- ➔ New country-based model
- ➔ Leverage partnerships

- ➔ Flexibility
- ➔ Agility
- ➔ Focus

IFAD will mainstream key issues to multiply the impacts

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SDG2 and nutrition

Income and the triple burden of nutrition – undernourishment, micronutrient deficiency and obesity



Youth bulge and migration

High proportion of youth in sub-Saharan Africa and elsewhere raises concerns about unemployment and distress migration



Gender and agriculture

Feminization of agriculture combined with a gender productivity gap due to insufficient resource access limits potential gains in production and achievement of SDG5



Climate change

Severely constrains efforts to achieve the SDGs and agriculture is particularly vulnerable



Fragility

Limiting factor in achieving MDGs and now SDGs with particularly negative consequences for rural transformation

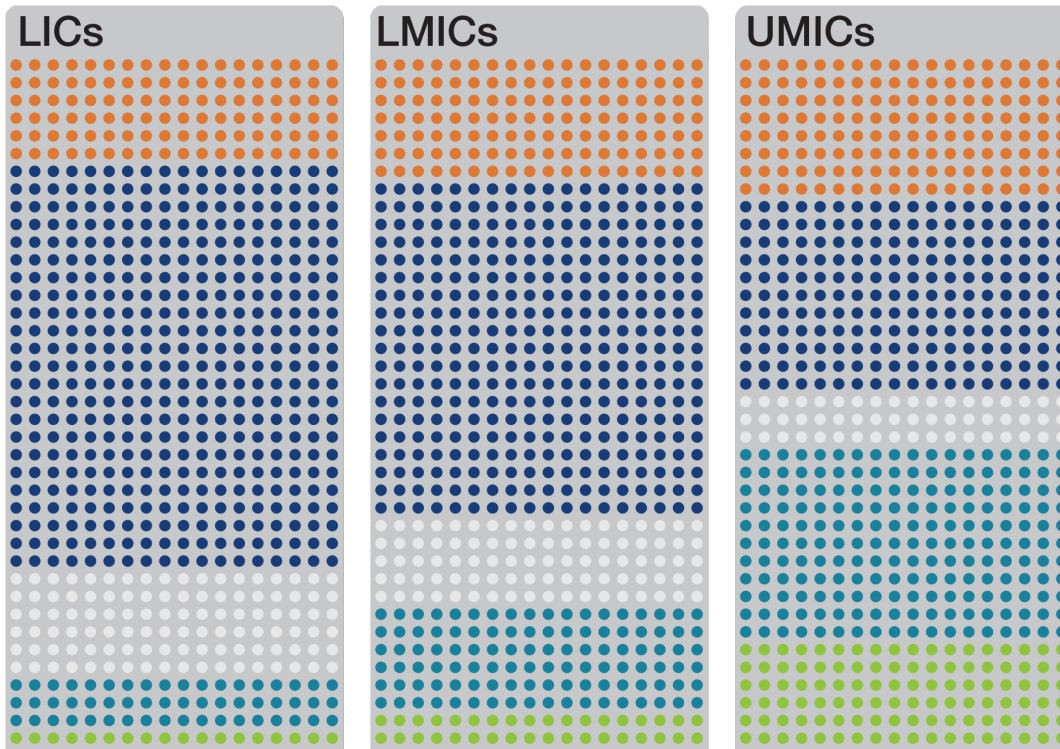


Investing in rural people

IFAD will tailor its operations to better support rural transformation processes

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FIDA11

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● POLICY INSTRUMENTS AND PARTNERSHIPS ● FINANCING ● IMPLEMENTATION SUPPORT ● KNOWLEDGE SHARING AND SSTC ● RTA

- Dynamic **combination of interventions**
- **Specificities** better reflected in COSOPs and CSNs and Project Designs
- Products and services increasingly prepared at **country and sub-regional level**
- Addressing specific needs of Most Fragile Situations (**MFS**) and Small Island Developing States (**SIDS**)
- Introducing a **Transition Framework**



Investing in rural people

IFAD will tailor its operations to better support rural transformation processes

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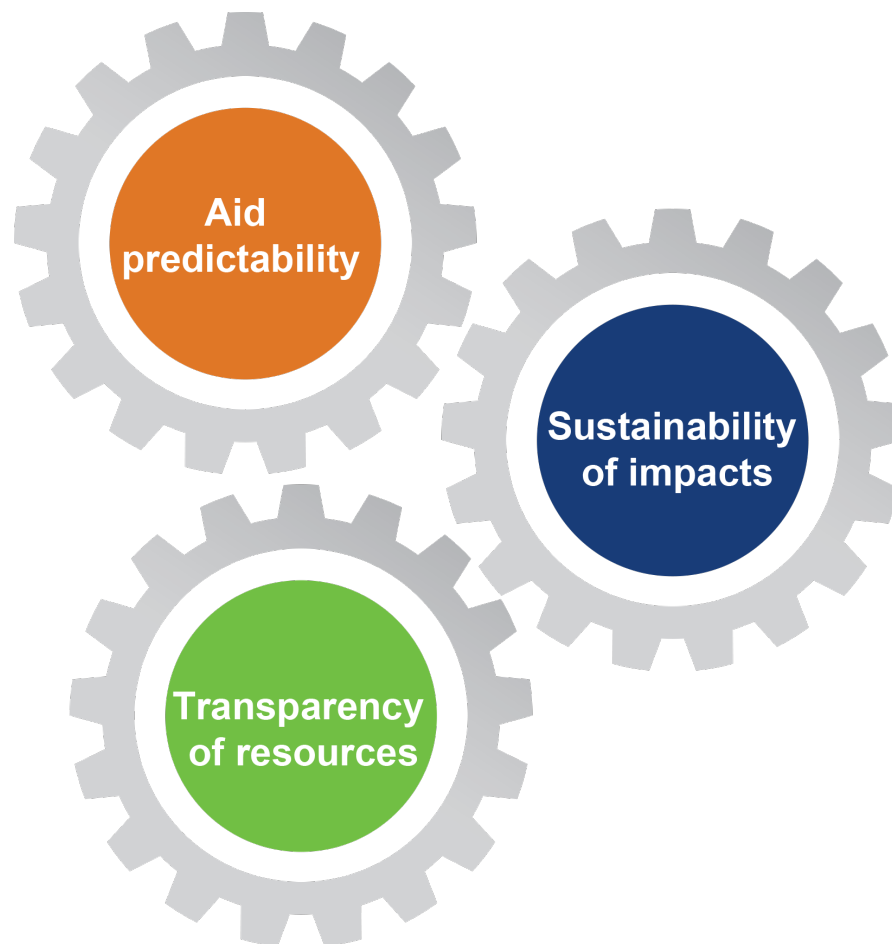
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Transition Framework **principles**



IFAD will enhance its value for money across all four dimensions

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ECONOMY

Decreasing costs keeping level and quality of outputs

- Time from concept note to approval
- Time from project approval to first disbursement
- Disbursement ratio



EFFICIENCY

Expanding IFAD's scale of operation

- Resources leveraged through borrowing
- Country selectively
- Project-level efficiency
- Institutional efficiency



EFFECTIVENESS

Amplifying impact through partnerships

- Country-level policy engagement
- Partnership building
- Co-financing ratio
- Development Effectiveness Framework



EQUITY

Prioritizing the poorest people and the poorest countries

- Share of core resources allocated to LICs and LMICS
- Appropriateness of targeting in IFAD projects
- Men, women and youth reached



Investing in rural people

IFAD will achieve its full potential to contribute to the 2030 Agenda

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Strategic objective 1

47 million
people
increase production



SDG 2.3

Strategic objective 2

46 million
people
increase market
access



SDG 2.3

Strategic objective 3

24 million
people
greater resilience



SDG 1.5

PoLG
of 3.5bn



Strategic goal

44 million
people
greater economic
mobility



SDG 1.2 and 2.3

IFAD will achieve its full potential to contribute to the 2030 Agenda

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Strategic objective 1

52 million
people
increase production



SDG 2.3

Strategic objective 2

50 million
people
increase market
access



SDG 2.3

Strategic objective 3

26 million
people
greater resilience



SDG 1.5

PoLG
of 3.8bn



Strategic goal

48 million
people
greater economic
mobility



SDG 1.2 and 2.3

IFAD11 main messages

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- 1 Business as usual is not sufficient to reach **SDG1** and **SDG2**
- 2 IFAD plays a **central role** in leaving no one behind
- 3 IFAD has the **capacity** to deliver **bigger, better** and **smarter**
- 4 IFAD will **leverage** development **finance**
- 5 IFAD's **investments** will target the poorest people and the poorest countries
- 6 IFAD will **streamline** its **processes** to better respond to country needs
- 7 IFAD will **mainstream key issues** to multiply the impacts
- 8 IFAD will **tailor** its operations to better support rural transformation processes
- 9 IFAD will enhance its **Value for Money** across all four dimensions
- 10 Thus, IFAD will achieve its **full potential** to contribute to the 2030 Agenda

