
Summary of the Chairperson: First session of the Consultation on the Thirteenth Replenishment of IFAD's Resources

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1. Members of the Consultation on the Thirteenth Replenishment of IFAD's Resources (IFAD13), IFAD Management and staff, observers and guests met in Rome and virtually on 16 and 17 February 2023. The purpose of the meeting was to review progress at the midterm of IFAD12 and the results of the IFAD11 impact assessments; discuss directions for IFAD13; and agree on the workplan for the IFAD13 Consultation.
2. Following introductory remarks by the External Chair, Mr Kyle Peters, the President of IFAD made an opening statement reiterating that IFAD13 is an opportunity to accelerate action on food security and food systems transformation and respond to the unprecedented challenges to food security. In a video statement, His Excellency Bruno Le Maire, Minister for Economy, Finance and Industrial and Digital Sovereignty of the French Republic, expressed strong support for IFAD and invited the Consultation to hold its fourth session in December 2023 in Paris.
3. Representatives of the Farmers' Forum, Indigenous Peoples' Forum at IFAD and IFAD Youth Grass-Roots Approach – respectively Ms Esther Penunia, Secretary-General of the Asian Farmers' Association for Sustainable Rural Development, Mr Pallab Chakma, Indigenous Peoples' Representative for Asia, and Ms Fatima Amaguar, Representative for the Youth Grass-Roots Approach in Morocco – addressed the delegates, sharing their experiences of working with IFAD and the priorities of their constituencies for engagement during IFAD13.
4. The External Chair noted that several List B and List C countries that were not Members of the Consultation, including contributors and potential contributors to the replenishment, had informally requested to participate as silent observers in this and future sessions. The Consultation confirmed that List B and C countries that are not Members of the Consultation could follow the discussions online, or in the *salle d'écoute* as silent observers, in the same way as List A countries that are not part of the Consultation composition.
5. The agenda was adopted with no amendments.

A. IFAD at the midterm of IFAD12

6. The Independent Office of Evaluation of IFAD (IOE) presented the 2022 Annual Report on the Independent Evaluation of IFAD (ARIE), which was followed by Management's presentation of the IFAD12 midterm review (MTR) and status of contributions. Delegates appreciated the opportunity to discuss challenges and lessons learned ahead of IFAD13 and also the comprehensiveness and candour of the MTR. They also noted the importance of the independent evaluation function at IFAD, and its input to the Consultation's deliberations.
7. Delegates noted that IFAD is on track to achieve most of the IFAD12 targets and commitments. In particular, they appreciated the significant progress that had been made by the end of the first year of IFAD12 given the challenging external environment. Delegates highlighted that IFAD needs to continue focusing on improving efficiency, effectiveness, sustainability and scaling up to achieve and sustain transformative impact.
8. Delegates welcomed the performance vis-à-vis integrating the mainstreaming themes at design but acknowledged the point made in the MTR that this can increase project complexity. Delegates urged Management to find ways to manage project complexity, while maintaining or increasing ambition on the mainstreaming themes and increasing focus on implementation performance and outcomes. On climate, delegates emphasized the importance of reaching the target of climate

finance constituting 40 per cent of IFAD's programme of loans and grants (PoLG). They sought assurances from Management in this regard and asked for more information on how it would be achieved.

9. Delegates noted the initial steps taken on private sector engagement through the Private Sector Financing Programme and looked forward to seeing how lessons learned would inform approaches during IFAD13. Delegates also called for increased focus on South-South and Triangular Cooperation (SSTC), and highlighted areas such as Rome-based agency (RBA) collaboration and strengthening IFAD's work with local governments for further discussion.
10. Delegates acknowledged the progress made on decentralization and its potential benefits for IFAD's work, stating that they looked forward to the IOE corporate-level evaluation on decentralization. Delegates recognized the challenges associated with decentralization and requested more details on Management's plans to address these, including in relation to its impacts on staff.
11. Regarding IFAD's financial framework and resource allocation, delegates appreciated that IFAD was ensuring that its core resources were focused on the poorest countries by meeting or exceeding targets for allocation of resources among low-income, lower-middle-income and upper-middle-income countries, and to Africa and countries in situations of fragility. More details were requested on the operationalization of the Borrowed Resource Access Mechanism and the implementation of the Graduation Policy adopted in 2021.
12. Delegates appreciated IFAD's progress in mobilizing resources from different sources, including supplementary funding and other cofinancing, noting that this showed IFAD's growing capacity as an assembler of development finance targeted at small-scale farmers and rural development. Delegates highlighted the importance of continued efforts in this area, including on cofinancing. Market borrowing was also mentioned as a means of enhancing access to borrowed resources. Management noted that the targets for IFAD12 core contributions and concessional partner loans had not yet been met.

B. IFAD11 impact assessments and lessons learned for IFAD13

13. Management presented the results of the IFAD11 impact assessments and lessons learned for IFAD13. Delegates appreciated the strong results and impact achieved and highlighted the benefits of such evidence for IFAD's visibility and for building a case for investment.
14. Delegates appreciated the clarity of the presentation and the rigour characterizing the impact assessments. They recognized the uniqueness of IFAD's approach in this respect and its value for continuous learning and improvement of IFAD-financed projects. Delegates emphasized that IFAD is a learning organization, and can be an "assembler of knowledge" as well as an "assembler of finance".
15. Delegates particularly welcomed the lessons drawn from the assessments with regard to investing in the midstream of agrifood systems, scaling up climate adaptation for sustained resilience, transforming gender norms and practices, and promoting nutrition. Management was urged to ensure that these lessons feed into IFAD13. Delegates also asked about IFAD's nutrition strategies and approach to measuring improvements. Some delegates pointed out the complexity of the issue and the need for appropriate expectations; others highlighted the need to treat nutrition as a priority.
16. Several delegates from borrowing Member States complemented the results of the impact assessments with valuable insights from their own experience of IFAD's impact, emphasizing how the numbers in the impact assessment report reflected real and tangible benefits for the lives of rural people. In particular, the importance of livestock for IFAD's target groups was highlighted, as well as the need to address climate adaptation and the water-food-energy nexus in the rural context.

17. Delegates had a number of questions about the methodology and attribution of results. Management confirmed that the results referred to the total impact of IFAD's programme of work, both domestic and international cofinancing, and recognized that follow-up assessments would be useful to measure sustainability of impact over time. IOE also provided feedback, noting the importance of clear messaging around results attribution, and that the overall impact figures included results achieved through cofinancing.

C. IFAD13 Directions

18. Management presented the main elements of the IFAD13 Directions paper. Delegates appreciated the paper and presentation, and recognized that IFAD13 comes at a time of unprecedented food insecurity with intersecting challenges linked to conflict, climate change, COVID-19 and increasing debt distress. They acknowledged how these challenges affected IFAD's target groups, and highlighted the relevance of IFAD's mandate to global efforts to address them. Delegates recognized the importance of IFAD's work to the achievement of the Sustainable Development Goals (SDGs) and referred to the concerning status of SDG 1 and SDG 2. They emphasized IFAD13 as an opportunity to accelerate progress and supported a central role for IFAD at the upcoming United Nations Food Systems Summit Stocktaking Moment.
19. Delegates supported the overarching IFAD13 priority of **building sustainable, inclusive and resilient local food systems and transforming rural livelihoods**, as well as the proposed investment focus on climate-smart agricultural productivity and integrating small-scale producers into commercial value chains. Delegates also supported the three proposed priority areas: (i) addressing drivers and impacts of fragility; (ii) increasing climate and biodiversity financing; and (iii) strengthening engagement with the private sector. Further details on each of these areas and their interlinkages were requested. In addition, delegates noted the importance of such areas as SSTC, innovation, digitalization, technology and partnerships with research organizations, and emphasized the need for IFAD to continue its commitment to the mainstreaming themes.
20. Most delegates recognized that IFAD has a role to play in fragile situations, in line with its mandate, particularly in **addressing drivers and impacts of fragility** related to its comparative advantage. They emphasized the importance of working in partnership with other organizations, including the RBAs, and the role IFAD can play in the humanitarian-development-peace nexus through its focus on resilience and longer-term development, as strengthening resilience to future shocks will reduce humanitarian needs in the future. Delegates also acknowledged the importance of adequate capacity and on-the-ground presence in fragile situations, linking IFAD's approach to working in fragile situations to its ongoing decentralization. Delegates requested Management to bring forward the timeline for the approach paper on IFAD's work in fragile situations in order to better inform the Consultation's discussions.
21. Delegates agreed that **climate and biodiversity finance** should continue to be a priority for IFAD. They welcomed the increased focus on biodiversity, and noted the close linkages with other themes including the water-food-energy nexus and gender and nutrition. They underscored that a strong offer on climate is a key priority for IFAD13. There were indications of support for the proposed additional climate contributions, but concerns were raised in relation to substitution risk, governance (including voting rights), integration with IFAD's core contributions, the relationship to the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+) and the need for complementarity with other global climate funds. Some delegates indicated their preference that the share of climate finance in the PoLG surpass 40 per cent in IFAD13. Delegates would welcome an intersessional technical meeting to discuss this proposal further. IFAD was encouraged to continue the

strong efforts to work with the global climate funds and help overcome fragmentation of the climate finance ecosystem.

22. Delegates supported strengthening **engagement with the private sector** during IFAD13, including through IFAD's regular investment projects. With regard to the Private Sector Financing Programme, delegates urged Management to build on early lessons learned in developing proposals to scale up direct engagement with the private sector. They also requested additional details on how this could be financed and the implications for IFAD. Management shared some options, including the potential use of borrowed resources and ideas on how private sector finance could fit within IFAD's own financing. These issues would be explored in depth at the next Consultation session.
23. Delegates emphasized the continued importance of the mainstreaming themes and recognized IFAD's strong performance on **gender and youth**. They also acknowledged **IFAD's efforts to increase the focus on social inclusion**, and engagement with Indigenous Peoples, persons with disabilities, and vulnerable groups. Some delegates indicated that more emphasis should be placed on reaching persons with disabilities through IFAD's projects and welcomed the adoption of an intersectional approach – particularly for disability and gender. Delegates expressed concern about progress on IFAD's climate finance targets, and sought assurance from Management that these targets would be met. Some delegates requested more ambition going forward. They also encouraged more emphasis on **strengthening impact on nutrition**, referencing the findings from the impact assessments. Delegates welcomed the references made to targeting behavioural change and integrating a nutrition focus into IFAD's value chain approach. Some delegates noted that nutritional issues were multi-faceted and required complementary actions across multiple sectors. In line with the IFAD12 MTR discussions, delegates urged Management to further strengthen impact in the mainstreaming areas while managing project complexity.
24. Delegates endorsed the importance of continuing to focus core resources on the poorest countries in IFAD13, while emphasizing continued fulfilment of IFAD's universal mandate, particularly in a context of overlapping crises. Delegates also discussed the importance of country-driven graduation processes and continuous dialogue throughout the process, taking into consideration a range of variables applicable to the specific country context and agreed between IFAD and the borrowing country, as specified in the Graduation Policy. Some delegates also emphasized that the graduation process should be voluntary and based on agreement between the Member State and IFAD, while others noted the need to gather implementation experience before further discussion.
25. Delegates emphasized the importance of a strong replenishment to maximize support to the poorest countries, including those in debt distress, while making use of IFAD's borrowing capacity and ability to multiply development resources and crowd in cofinancing to ensure an integrated programme of work for IFAD13. Market borrowing was highlighted by some delegates as a tool to be explored. Delegates looked forward to more information on the IFAD13 financial scenarios and ambitions and noted that they would welcome a technical discussion on this prior to the second session in June.
26. With regard to organizational aspects, delegates asked for more information on IFAD's approach to decentralization and what adjustments were being considered for IFAD13 in response to emerging lessons learned. Delegates also appreciated the clear references in the IFAD13 Directions paper to IFAD's policy to prevent sexual harassment and sexual exploitation and abuse.
27. Overall, delegates welcomed the focus on continuity and consolidation, building on the foundation of IFAD12 and the significant reforms that had been introduced in recent years. Delegates highlighted that the proposed priority areas, while not new,

were the right ones for IFAD to focus on for strengthened impact. At the same time, delegates urged Management to ensure a strong narrative, highlighting new elements and innovations to help make a strong case for IFAD. To achieve a successful replenishment, delegates urged Management to remain focused on IFAD's comparative advantage in strengthening the livelihoods and resilience of poor, food-insecure and vulnerable people in rural areas, and on IFAD's last-mile, people-centred approach to investing.

D. IFAD13 sessions and workplan

28. There was general agreement to hold the IFAD13 Consultation over the course of four main sessions, with the second session to be held on 19 and 20 June at IFAD headquarters. Management is exploring options for the hosting of the third session, scheduled on 2 and 3 November. Delegates welcomed the invitation from France to host the fourth session in Paris, noting that this should not require additional IFAD budget beyond that approved for the IFAD13 Consultation exercise. Management will work with the Government of France to confirm the dates and arrangements for the meeting, ensuring coordination with other events such as COP28. Details would be shared in due course.
29. Delegates agreed with the proposed papers to be discussed at each session. They also suggested that early in the Consultation process, additional discussions would be useful on topics including financial scenarios, the proposed additional climate contributions, mechanisms for funding the Private Sector Financing Programme, and the approach to fragility in IFAD13. They noted that it would be preferable to discuss, if available, the results of the ongoing 2022-2023 assessment of IFAD by the Multilateral Organization Performance Assessment Network (MOPAN) earlier than the third session, possibly in an additional meeting. Management informed delegates that an informal meeting had been scheduled for 5 April. Options for additional meetings would be explored and details shared with delegates.
30. Management proposed that representatives of the Farmers' Forum, Indigenous Peoples' Forum at IFAD, and the IFAD Youth Grass-Roots Approach be present as silent observers to the IFAD13 Consultation process. However, the meeting was unable to reach a consensus on this issue. It was agreed that Management would organize informal consultations with Indigenous Peoples' organizations, farmers' organizations and youth associations around the time of the second session, to which Member State representatives would be invited.

E. Concluding statements

31. The Chair summarized the key highlights of the discussions and outlined next steps. He thanked all Member States, the interpreters and IFAD staff for their contributions to a successful first session of IFAD13.