

# IFAD13 Business Model and Financial Framework: Overview

Second Session of the  
Consultation on the Thirteenth  
Replenishment

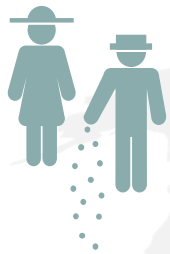
19 June 2023

IFAD13  
REPLENISHMENT

 **IFAD | FIDA**



# Why IFAD?



**World's fund for transforming agriculture, rural economies and food systems** - Universal, but with 100% of core resources targeted at poorest countries



**Pioneer of locally led development** – empowering rural people to take charge of their own development



**Partner of choice** – forging alliances and providing leadership at global, regional and country level

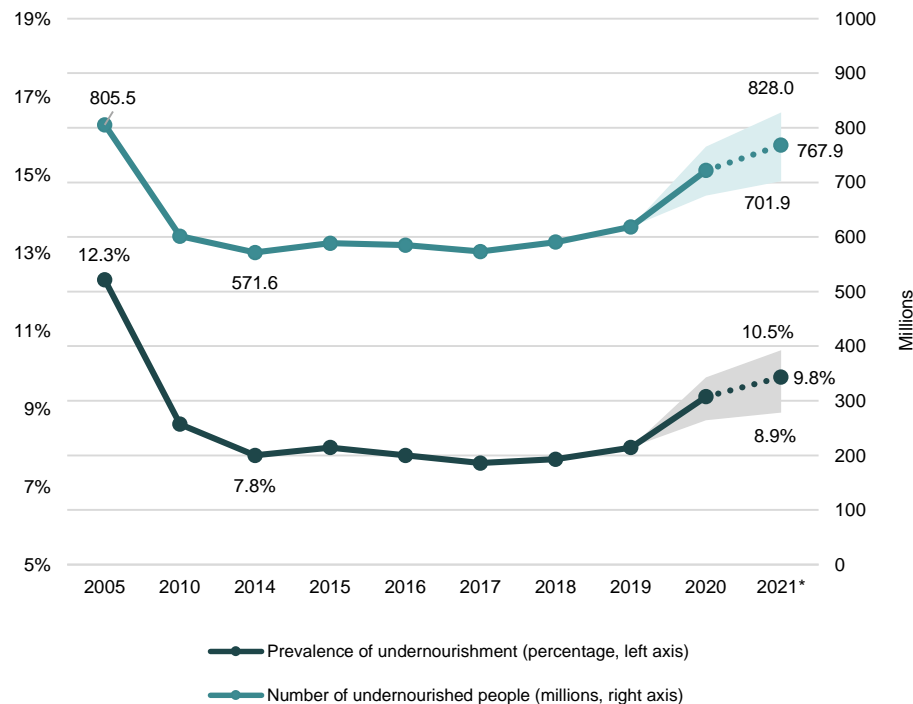


**Assembler of Finance** – leveraging AA+ rating and cofinancing to turn every \$1 of core into \$6 dollars on the ground



**Driven by results and impact** – most effective and efficient multilateral development organization globally (2021)

# Why now?



Note: Projected values for 2021 illustrated by dotted lines. Shaded areas show lower and upper bounds of estimated range.  
Source: FAO, IFAD, UNICEF, WFP and WHO. *The State of Food Security and Nutrition in the World 2022*, p. 13.

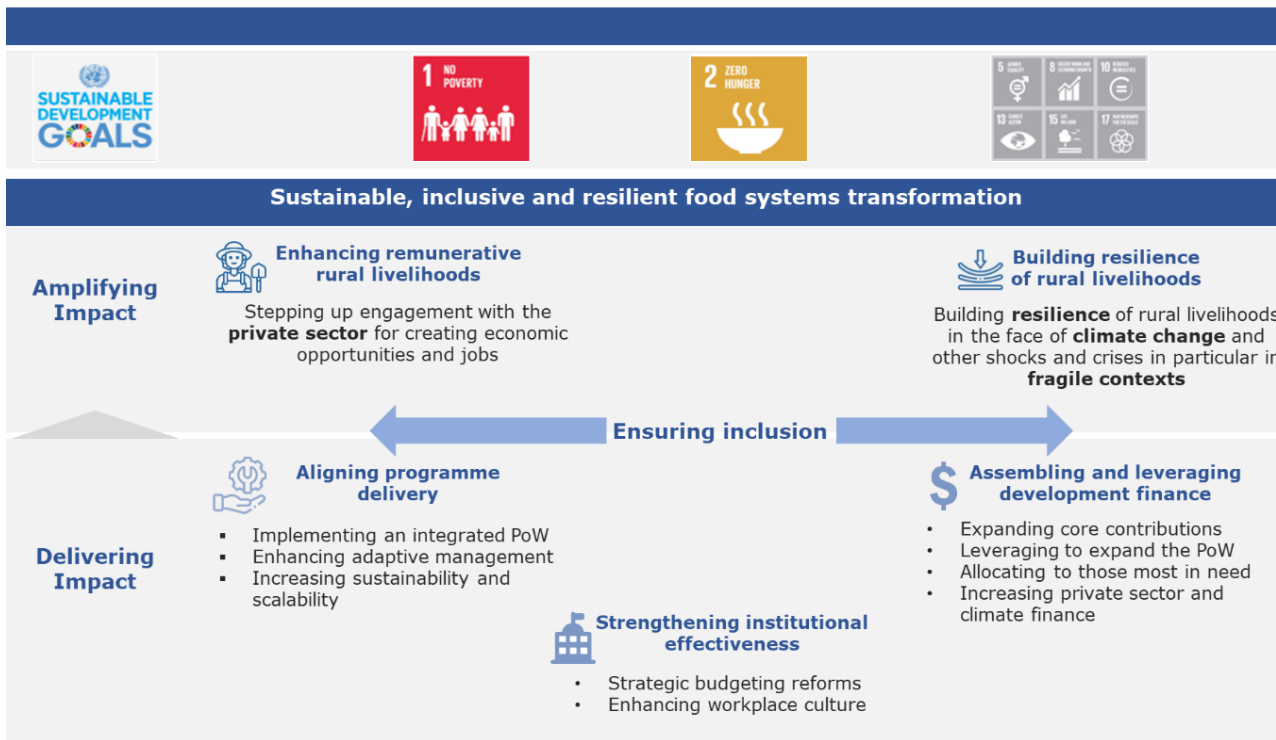
## Compounding crisis

- **Rising poverty and hunger**, concentrated in fragile and conflict affected situations, sub-Saharan Africa and rural areas
- **Increasing debt burdens and fiscal pressure**
- **Worsening climate change and biodiversity loss**

## Food system transformation can unlock SDGs

- **Investments in IFAD13 can help reverse global trends on hunger and poverty**

# Scaling up inclusive and resilient food systems



# Delivering at scale to respond to global needs



IFAD13 will increase **climate-smart local production** through...



availability and quality of inputs, technology and capacity building to enhance **agricultural productivity**



access to inclusive rural financial services for agricultural **value chain development**



last-mile rural infrastructure to improve **production** and increase **market access**



engagement of producers' organizations in **inclusive value chains**

# Amplifying Impact

Enhancing remunerative rural livelihoods,  
building resilience and ensuring inclusion



# Promote private sector investments at scale



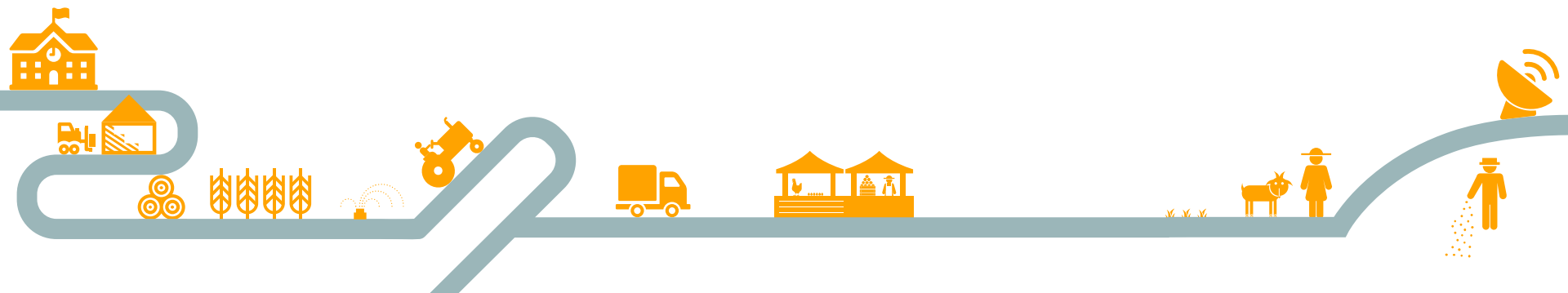
**I. Enabling**  
De-risking investments



**II. Catalyzing**  
PoLG and PSFP instruments



**III. Assembling**  
PSFP instruments and  
convening power



# Delivering climate finance to the poorest



**Raise climate finance  
target from 40% to 45%**



**Mobilize ACCs –  
part of core funding**



**Innovation and policy  
support**



**Programmatic approach  
to climate operations**





# Building resilience and reducing fragility

## Dimensions of fragility

- Social
- Environmental & climate
- Political & institutional



Sustainable natural  
resource management

Local institutions  
and communities

**IFAD adds value in  
fragile contexts**

Boosting  
women's role

Food and nutrition  
security

# Deepen focus on gender, youth, social inclusion and nutrition

Strengthen **youth employment** and **youth participation** in decision making

**People-centred approach** focused on Indigenous Peoples, persons with disabilities and other marginalized groups

**Targeting for nutrition** and promoting diversified local food production, and consumption

Intensifying **efforts on gender** to ensure **equal access** to assets, services, employment and markets

Working with **community-based organizations** to promote inclusive development

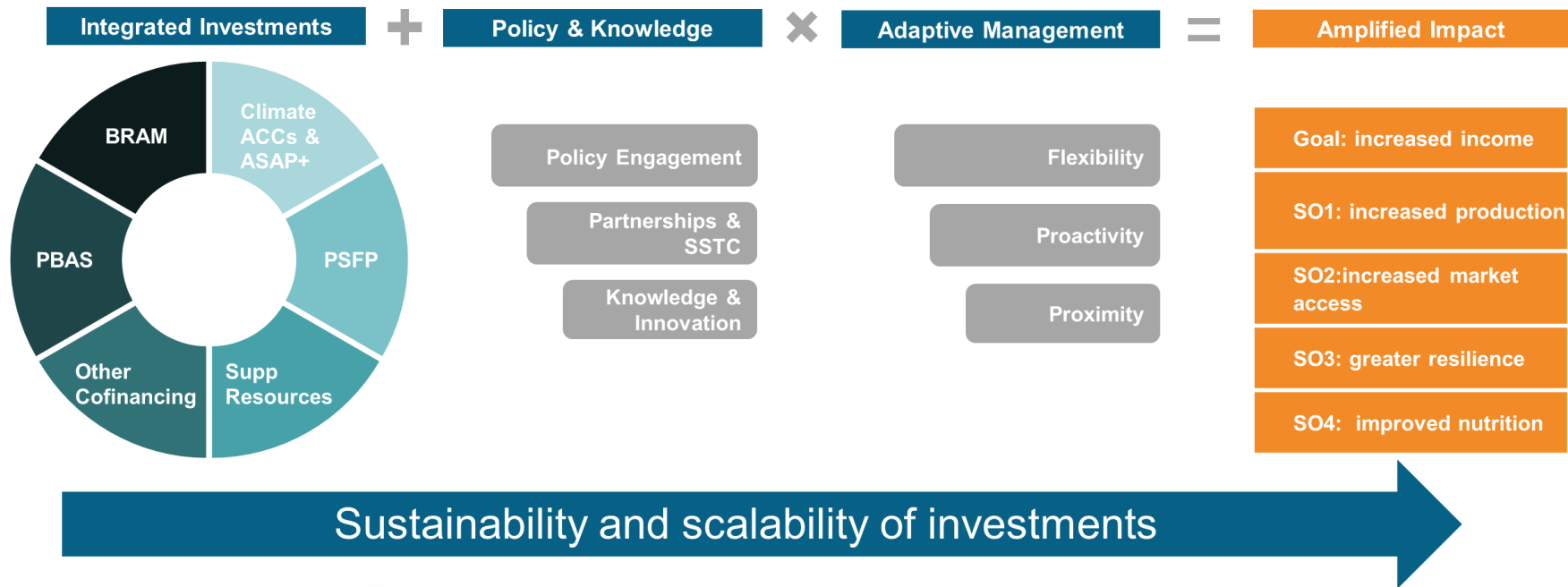


# Delivering Impact

Aligning Programme Delivery, strengthening institutional effectiveness, and assembling and leveraging development finance

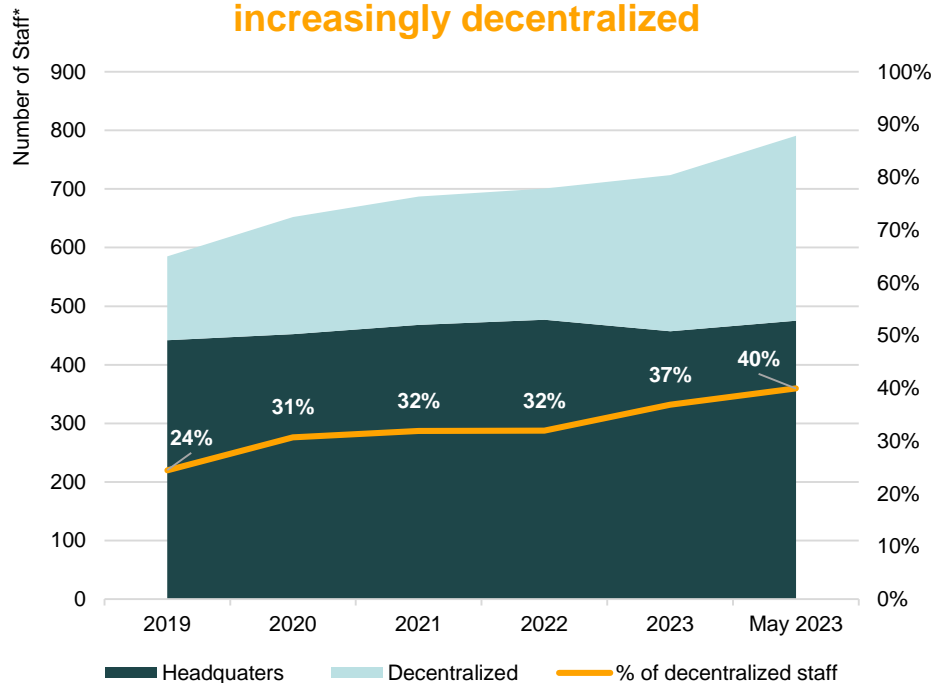


# Country programmes for impact



# Reformed institution ready to scale up

## IFAD's workforce is growing and increasingly decentralized



\*Includes all categories of Fixed-Term Staff, including fixed-term, continuing, and indefinite appointments; JPOs, staff on loan to IFAD and co-terminus contracts. (ILC staff are excluded). Data recorded as at 1 January of each year.

## IFAD will continue to strengthen institutional effectiveness

- IFAD13 **consolidates** and **builds on** recent reforms
- Focus on **operational delivery**
- Optimizing **resource use** and streamline budgeting
- Enhancing **capacity** and **workplace culture**

# IFAD13 Scenarios

(US\$ million, Number of beneficiaries in million)

IFAD 12

A

B

C

D

Replenishment

PoLG

PoW

Impact

	IFAD 12	A	B	C	D
<b>Members Contributions</b>	<b>1 257</b>	<b>1 380</b>	<b>1 655</b>	<b>1 790</b>	<b>1 930</b>
<b>Additional Climate Contributions</b>			<b>150</b>	<b>200</b>	<b>250</b>
<b>Concessional Partner Loans</b>	<b>93</b>	<b>150</b>	<b>200</b>	<b>250</b>	<b>300</b>
<b>Total PoLG</b>	<b>3 350</b>	<b>3 240</b>	<b>3 640</b>	<b>3 850</b>	<b>4 060</b>
Grant element of overall commitment capacity (%)	44	47	47	47	48
<b>Total concessional resources</b>	<b>1 880</b>	<b>1 930</b>	<b>2 185</b>	<b>2 315</b>	<b>2 450</b>
<i>Of which Sustainable Grant capacity</i>	500	550	655	700	850
<i>Grant element of concessional resources (%)</i>	65%	<b>67%</b>	<b>68%</b>	<b>68%</b>	<b>69%</b>
<b>Total non-concessional resources</b>	<b>1 470</b>	<b>1 310</b>	<b>1 455</b>	<b>1 535</b>	<b>1 610</b>
<i>Of which Private Sector Financing Programme</i>		90	90	90	90
<b>Total PoW</b>	<b>8 180</b>	<b>8 535</b>	<b>9 540</b>	<b>10 080</b>	<b>10 625</b>
<b>Goal: Increased income</b>	<b>86 - 93</b>	<b>87 - 93</b>	<b>98 - 104</b>	<b>103 - 110</b>	<b>109 - 116</b>
<b>LICs</b>		48-51	54-57	57-60	60-64
<b>LMICs</b>		37-39	41-44	44-46	46-49
<b>UMICs</b>		3	3	3	3

# IFAD13: Investing now in a resilient future

1

IFAD13: Framework to respond to global crisis

2

Demand for financing food security is growing

3

Increased core funding enables IFAD to deliver greater impact

4

IFAD is set up to scale up



The logo for LIFAD | FIDA, featuring a stylized white icon of a person or plant on the left, followed by the text "LIFAD | FIDA" in a white, sans-serif font.

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Thank you