

Enhancing Private Sector Engagement to deliver Impact

Second Session of the Consultation on
the Thirteenth Replenishment

19 June 2023

IFAD13
REPLENISHMENT

 **IFAD | FIDA**



IFAD's experience with the private sector

PoLG: Public Private Partnerships, regular and blended finance interventions

Value chains

93% of VC projects stipulated for partnerships between public and private sector

36% aim to establish Public-Private-Producer Partnerships (4Ps)

Inclusive Rural Finance (IRF)

USD 1 billion invested in IRF services

Blended climate finance (IGREEFIN)

Partnerships with a wide range of private players in the financial sector

Private Sector Financing Programme (PSFP)

Non-Sovereign Operations (NSOs)

Six NSOs: USD 25 million invested for total project costs: USD 166.2 million

Expected outreach: **403,000 direct and 1.4 million indirect** beneficiaries (60% women and 35% youth)

Additionally: Equity investment in the Agribusiness Capital Fund

First large scale climate platform

IFAD13 Private Sector Approach



I. Enabling

Use PoLG investments to create an enabling environment for Public Private Partnerships.

De-risking investments



II. Catalyzing

Provide direct funding to the PS to crowd in investments and/or financial service provision to IFAD's target groups.

PoLG and PSFP instruments



III. Assembling

Higher ambition to support and/or lead the origination and structuring of large-scale investment platforms

PSFP instruments and convening power

IFAD13 PSFP Funding Reform

Resources

IFAD's Resources

US\$ 90 million
Borrowing

US\$ 18 million Core
Non-country grant window

Supplementary Funds

Private Sector Financing Program

Innovative
Structures

Blended
Finance

US\$ 540 million Private Sector
Program of Work*

To

LICs, LMICs, UMICs and
Fragile States

Main Financial Instruments

Debt Instruments

Senior or subordinated
working capital and CAPEX

Risk Sharing Facilities

Guarantees, credit or portfolio
first losses or mezzanine



Thank you