Enhancing Private Sector Engagement to deliver Impact

Second Session of the Consultation on the Thirteenth Replenishment

19 June 2023
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
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**

**Main Financial Instruments**

**Debt Instruments**
- Senior or subordinated working capital and CAPEX

**Risk Sharing Facilities**
- Guarantees, credit or portfolio first losses or mezzanine

**Private Sector Financing Program**
- Innovative Structures
- Blended Finance

US$ 540 million Private Sector Program of Work*

To

LICs, LMICs, UMICs and Fragile States

*PoW total volume based on PSFP's expected co-financing ratio to date of 1 to 5.
Thank you