
Comments and responses on the pre-Third Session draft IFAD13 Consultation Report

Document: IFAD13/3/INF.3

Date: 27 October 2023

Distribution: Public

Original: English

FOR: INFORMATION

Useful references: Draft Report of the Consultation on the Thirteenth Replenishment of IFAD's Resources: Building Rural Resilience for a Food Secure Future ([IFAD13/3/R.X](#)).

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Comments and responses on the pre-Third Session draft IFAD13 Consultation Report

Table 1. Comments received on the draft IFAD13 Consultation report

Country	Comment	Response / Action Taken
<p>Indonesia</p>	<p>Dear All, Please find below Indonesia's Comment on Report of IFAD13: Appreciate the work that has been done to develop this first draft, as Indonesia mentioned in the consultations last week. In order for the report to be accepted by all members, we emphasize the need for the report to use language that has been agreed upon multilaterally and can be accepted by all members comfortably. Peacebuilding: when mentioning peacebuilding organization or peacebuilding efforts we should mention "United Nations Peacebuilding Organizations" or "United Nations peacebuilding efforts" as this is to guarantee that IFAD engagement in humanitarian and peacebuilding efforts can be leveraged in situations of clear complementarity of UN efforts and missions in the area with IFAD's specific mandate and focus, as demonstrated by IFAD's existing partnership with "the United Nations Peacebuilding Fund (PBF)". Gender-Transformative Programming: not quite clear what gender transformative programming is, currently there is no agreed language (negotiated document) in the UN on this term in New York nor in Geneva. What can be used is and recently what was the agreed in Rome in the CFS Voluntary Guidelines of GEWGE which will be agreed upon in CFS51 (where IFAD was an active member in the negotiation process). Based on that document would suggest the following: Gender-responsive programmes across sectors</p>	<p>Management thanks Indonesia for these comments.</p> <p>This feedback on ensuring the language used has been agreed upon multilaterally and can be accepted by all Members is well noted and appreciated.</p> <p>Where relevant throughout the document, references to "peacebuilding" have been updated to refer to "<u>United Nations</u> peacebuilding" as suggested.</p> <p>References to "gender-transformative programming" and "transforming gender norms" have also been revised in line with the suggestions to align with the CFS Voluntary Guidelines on Gender Equality and Women and Girls' Empowerment (GEWGE) and use multilaterally agreed terminology to ensure a common understanding.</p> <p>References to the intersection of gender and nutrition have been replaced with "nexus of gender and nutrition".</p> <p>With regard to the term "intersectionality", the concept of intersectionality is incorporated in the approved revised IFAD Poverty Targeting Policy (EB 2023/138/R.3). The definition of IFAD's target group in the IFAD Poverty Targeting Policy is anchored in the concept of intersectionality, which relates to the intersection of multiple drivers of poverty: gender, age, disabilities, ethnicity, remoteness, environmental degradation, etc. The term is also</p>

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	<p>with a transformative approach, or focusing on programs that will create transformative change for gender equality and women's empowerment, (based on para 16 of report IFAD12) Transform Gender Norms: this term is also never been agreed upon in any UN negotiated documents in New York or Geneva. This term is also the first time used in IFAD, this term was also not used in the IFAD12. Not clear what "transform gender norms", an IFAD program should not transform a country's norms. However we would suggest the following:</p> <p>Program should promote the application of innovative gender equality approaches that challenge and tackle both the symptoms and the structural causes of gender inequality, including discriminatory laws, policies, social norms, attitudes, harmful customary practices and gender stereotypes, for sustainable food systems for all in respect of cultures, and local and national law</p> <p>Intersection of gender and nutrition: not quite sure on the intersection between gender and nutrition as the concept is still heavily debated in New York or Geneva. We would suggest using more agreeable and neutral formulation such as "the nexus of gender and nutrition and the crucial role of women and the crucial role of women to improve nutrition outcomes.</p> <p>Intersectionality approach: this term never been agreed upon in any UN negotiated documents in New York or Geneva. This term is also the first time used in IFAD, this term was also not used in the IFAD12. We suggest using more UN agreed term on this such as "system-wide approach" or "holistic approach" (Beijing Platform) or "inclusion strategy".</p> <p>Thank you and regards.</p>	<p>referenced in the approved IFAD's Disability Inclusion Strategy 2022 – 2027. The reference to an "intersectionality approach" has been updated to more closely align with the approved policy.</p>
New Zealand	<p>Please find following New Zealand's initial comments on the draft Report of the Consultation on the 13th</p>	<p>Management thanks New Zealand for these comments.</p>

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	<p>Replenishment of IFAD's resources: New Zealand thanks IFAD for the preparation of this draft report and reiterates its support for IFAD, the organisation's work, and the 13th Replenishment process. While generally pleased with the contents and direction of the draft report, we have a number of comments and suggestions which we set out below.</p> <p>Small Island Developing States While New Zealand is pleased to see that the draft report contains references to Small Island Developing States (SIDS) and IFAD's strategy for SIDS, we think more could be done to highlight this important area of work for IFAD.</p> <p>For example, while paragraph 34 does contain a reference to SIDS and IFAD's SIDS strategy, it is our view that the report would benefit from a paragraph dedicated to the SIDS strategy and how it will be implemented during the IFAD13 period (in the same way that the disability strategy is covered in paragraph 66).</p> <p>Para 18 of the Executive Summary would also benefit from the addition of a reference to SIDS, given many of them are also fragile (which is acknowledged in Annex IV). This paragraph (along with paragraph 10) might also be the logical place to refer to IFAD's ability to deliver grant financing and the associated need for donor support.</p> <p>A reference to SIDS should be added to para 4 of the main report so that the paragraph reads "... engaging in fragile and vulnerable contexts, including SIDS, ...".</p> <p>Paragraphs 32 to 33 of the main report would also benefit from the inclusion of SIDS into the narrative. Indeed, a reference specifically to the Pacific would be warranted here and would help to raise awareness of the value of IFAD's work in countries in the region.</p>	<p>With regard to Small Island Developing States (SIDS), the referenced paragraphs have been adjusted in line with the proposals to better integrate SIDS in the overall narrative, and a new dedicated paragraph on SIDS has been included in the document.</p> <p>With regards to disability, Management confirms that, in line with Disability Inclusion Strategy, IFAD will learn lessons and gradually mainstream disability inclusion throughout its entire portfolio, as well as complementing this mainstreaming approach with targeted interventions for persons with disabilities. Furthermore, Management confirms that while IFAD has made specific commitments around the development of five new projects in IFAD12 and five new projects in IFAD13 having persons with disabilities as a priority target group, the possibility to collect disaggregated results data on persons with disabilities is available to all projects, and new or ongoing projects will be encouraged to collect such data whenever relevant. The language in annex 1 with regard to disaggregation of persons-based indicators has been revised to better reflect this.</p> <p>With regards to the Multilateral Organization Performance Assessment (MOPAN), as of October 2023 MOPAN findings are still to be considered as preliminary. As a consequence, IFAD will refrain from quoting specific extracts from the MOPAN draft report. Notwithstanding the above, IFAD remains committed to building on the findings and learning emerging from the MOPAN assessment, once finalized, and has included a reference to this in the draft Consultation report, while also highlighting specific issues that are expected to feature in the final version of the assessment, such as the</p>

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	<p>The reference to SIDS and the SIDS strategy in paragraph 34 could be better integrated into this section to reflect the overlap applicability of the concepts of vulnerability and fragility to SIDS.</p> <p>Disability New Zealand is pleased to see a reference to the Disability Inclusion Strategy and to see that IFAD is proposing to target persons with disabilities as a priority target group for an additional five new projects. We would like to seek clarification as to whether the collection of disaggregated data for persons with disabilities is only applicable to those five new and five existing projects (as implied by the language in Annex I) or if the intention is to collect disaggregated data on persons with disabilities across all of IFAD's work. Given the high percentage of people with disabilities among rural poor, we would encourage IFAD to take an expansive approach to addressing their needs. We encourage IFAD to collect disaggregated data for persons with disabilities across its whole portfolio. We also encourage IFAD to use the lessons learned from the existing five projects and the proposed five new ones as a stepping stone towards greater mainstreaming and inclusion of disability issues across all of IFAD's work with an end goal of inclusion of disability issues into the design of all of IFAD's programmes.</p> <p>Other issues While we acknowledge that MOPAN has not finalised its report, we think that some of the issues that have been raised in the preliminary report could feature in this draft report, especially where they are pre-existing and acknowledged issues. For instance, para 6 of the draft report could benefit from a reference to being responsive to the MOPAN assessment, especially around developing projects more effectively</p>	<p>budget allocation to country programmes and staff well-being.</p> <p>With reference to paragraph 11 in the executive summary, this has been clarified by indicating that the World Bank group is the only other United Nations agency that operates on capital markets.</p>

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	<p>to increase disbursement rates.</p> <p>Para 11 of the Executive Summary refers to IFAD as “It is one of the only United Nations agencies to operate on capital markets,”. As “only” implies singular, we would suggest changing this sentence to either “It is the only United Nations agency to operate on capital markets,” or “It is one of the [few/insert number here] United Nations agencies to operate on capital markets,”.</p> <p>Process from here</p> <p>Should IFAD require clarifications on any of the above, we would welcome the opportunity to meet and discuss any issues.</p> <p>New Zealand again thanks IFAD for this opportunity to contribute to this important process and looks forward to engaging with the next steps.</p>	
Austria	<p>Please find following Austria’s initial comments on the draft Report of the Consultation on the 13th Replenishment of IFAD’s resources.</p> <p>General comments</p> <ul style="list-style-type: none"> · Austria would like to congratulate the various teams involved for a very well written, high- quality document that well describes the context in which IFAD 13 will operate, IFAD’s unique role and its comparative advantage and is very well sourced and supported throughout. · We also would like to thank management and staff for a convincing updated approach to engagement in fragile situations, which is annexed to the draft report, further increasing its value. · Likewise, we would like to thank management and staff for an updated proposal of the Private Sector Financing Programme, including additional information on the planned resource deployment. We would, however, like to better understand the selection of particular projects and how it is determined which 	<p>Management thanks Austria for these comments. Responses on the different issues raised are provided as follows:</p> <p>The selection of Private Sector Financing Programme (PSFP) projects will be based on the principles and screening criteria described in the Framework for IFAD Non-Sovereign Private Sector Operations (EB/2020/129/R.11/Rev.1) approved by IFAD’s Executive Board, namely: relevance, additionality, impact, environmental and social (E&S) standards and risks. More broadly, the guiding principle of resource deployment will remain prioritization of the countries that are most in need, including low-income countries (LICs), lower middle-income countries (LMICs) and fragile situations, and all core resources dedicated to the PSFP in IFAD13 will be used for projects in LICs and LMICs, in line with the agreement for the broader PoLG.</p>

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	<p>countries need the resources the most, as mentioned in the text.</p> <ul style="list-style-type: none"> · The report reflects well the request by Member States to further strengthen the mainstreaming agenda under IFAD 13. We however believe, that the text could benefit from reflecting the discussion we had on how mainstreaming can add to project complexity, that this could impact the achievement of planned project outcomes, especially in fragile settings and on how this will be addressed in IFAD 13. · We welcome the focus on effective youth engagement and endorse the current level of ambition. We would be grateful though to better understand whether 'youth-sensitive' means a project will include youth as a priority target group (Commitment: 60 per cent of IFAD13 sovereign projects are youth-sensitive)? · We appreciate the strengthened focus on nutrition impact. We would be grateful if a brief descriptor of the food insecurity experience scale (FIES) could be included in the report, in particular with regard to its implications for measuring the impact of IFAD interventions on nutrition. · Given the finding in e.g. the MOPAN assessment regarding the pressure on IFAD to achieve more while facing growing complexity in many aspects of its work, we welcome IFAD's increasing commitment to partnerships under IFAD13, which we believe will allow it to achieve greater impact while maintaining a focus on its mandate, particularly in areas such as its private sector engagement and interventions in countries in a context of fragility. · We appreciate IFAD's commitment to increase its impact across the policy cycle, an increasingly important aspect of its mandate. Given the findings of e.g. the MOPAN assessment regarding IFAD staff 	<p>Generally speaking, the PSFP will aim to align with the existing distribution of resources by region or country group. To date, of seven non-sovereign operations (NSOs) approved by the Executive Board, four are in LICs and three are in LMICs. However, the final selection will depend on compliance with the above-mentioned NSOs screening criteria and the constraints stemming from the sources of funding. For example, supplementary resources and/or blending through the non-country grant envelope requested will be prioritized for high-impact and higher-risk transactions in countries with the highest needs.</p> <p>With regards to mainstreaming, additional text has been added to paragraph 56 reflecting this important point.</p> <p>With regard to youth, a footnote has been included in paragraph 65 explaining that IFAD's Rural Youth Action Plan (2019-2021) defines youth-sensitive projects as projects that: (i) describe youth and their context-based challenges and opportunities in the project design analysis; (ii) inform a targeting strategy that explicitly targets youth with concrete objectives and activities to achieve impact in priority areas, expressed as part of the project's theory of change, approach and results framework; and (iii) allocate resources to deliver activities targeting youth. In IFAD12, this definition was further updated to require youth sensitive projects to embed a specific outcome indicator on employment: Core indicator 2.2.1: Persons with new jobs/employment opportunities.</p> <p>With regard to nutrition, as requested a description of the Food Insecurity Experience Scale has been added as a footnote indicating that: "The Food Insecurity Experience Scale (FIES) is an experience-</p>

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	<p>readiness to deliver on this, we would be grateful to better understand whether IFAD management believes the organization is on track to increase its country-level capacities on country-level policy engagement (CLPE) to meet this ambition and how it aims to ensure this is achieved?</p> <ul style="list-style-type: none"> · We would like to thank management for taking Member States comments on board by realigning the financing scenarios and hence better balancing ambition and realism for the majority of donors. · We also want to thank management for introducing a stand-alone replenishment report, already starting with IFAD 12. We believe that such a report will have strong added value for member states as well as for the organisation. <p><u>Policy commitments</u></p> <ul style="list-style-type: none"> · We are happy to see a reduced number of and a stronger focus on strategic or operational commitments. We also note positively that the proposed IFAD 13 policy commitments (PC) in many areas build upon achieved PC from IFAD 12 or other institutional developments. · We, overall, agree with the level of ambition for the IFAD 13 period as expressed through the PC and particularly appreciate the increased targets for climate finance (45% of the PoLG), engagement in countries with fragile situations (30% of core resources) and the new target for core resources to be allocated to LICs (45%). · Following discussions thus far between IFAD and member states regarding the ACCs, we would be grateful to learn whether there are considerations to further and maybe gradually increase the overall target for climate finance (45%) depending on the total amount of ACC pledges? · We also particularly welcome new PC that 	<p>based food security scale used to produce a measure of access to food at different levels of severity that can be compared across contexts. It relies on data obtained by asking people, directly in surveys, about the occurrence of conditions and behaviours that are known to reflect constrained access to food”.</p> <p>However, it is important to clarify that FIES measures food insecurity, not nutrition. IFAD measures impact on nutrition using the Household Dietary Diversity Score (HDDS) developed by the Food and Agriculture Organization of the United Nations (FAO). The HDDS is a qualitative measure of food consumption that reflects household access to a variety of foods. Improved nutrition, measured by an increase in dietary diversity, is different from food security.</p> <p>With regard to partnership, thank you for your encouragement for IFAD's commitment to partnerships. In IFAD13 this work will continue to be guided by IFAD's Partnership Framework with regular progress reporting to the Executive Board.</p> <p>With regard to country level policy engagement (CLPE), as recently reported to the Executive Board in the 2023 Report on IFAD's Development Effectiveness (RIDE) (EB/2023/139/R.14), while CLPE remains a weaker area in IFAD's performance steps are being taken to address this and improvements in non-lending activities more generally are being noted in self-evaluation findings and the 2022 IFAD stakeholder survey. Recently IFAD has improved its guidance tools on CLPE, and refreshed its knowledge management strategy to ensure greater focus on: (i) systematic data and evidence; (ii) knowledge use; and (iii) greater links to country programmes,</p>

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	<p>foresee that 100% of COSOPs are aligned with country NDCs, national biodiversity strategies and action plans, nationally adopted food system transformation pathways and identify private sector opportunities.</p> <ul style="list-style-type: none"> · Given that the African continent is particularly hard hit from the current crises, we find it desirable to increase the current target of 55% of resources to be allocated to the continent. However, we also understand that, due to the debt situation of many African countries and the limited capacity for IFAD to provide DSF grants, which is directly related to the amount of core resources, this might be difficult. · Overall, Austria lauds IFAD's active commitment to inclusivity. Considering that IFAD has already significantly surpassed its 35% target for gender transformative sovereign projects, we wonder if this target should not be increased for IFAD 13? <p><u>Results measurement framework</u></p> <ul style="list-style-type: none"> · We would like to thank Management and staff for the very comprehensive note on the IFAD 13 Results Measurement Framework (RMF) that explains the logic and reason behind its composition and the changes proposed as compared to the IFAD 12 RMF in detail. Thanks to this note, we can keep our remarks short. · While we believe that there is a need for continuity and consistency in the RMF indicators across cyclese, we support a streamlining of the indicators where it makes sense and an alignment with IFAD 13 priorities and external benchmarks. · We fully support and appreciate the introduction of a new Impact indicator measuring women's empowerment. This reflects IFAD's strong and growing engagement in this field as well as the strong relevance of gender equality and women's 	<p>particularly for national policy engagement. IFAD is also planning pilot country advisory services in seven countries in 2023 and 2024 to offer data and targeted research to inform national policy engagement. In addition, IFAD continues to invest in decentralization and increase proximity to partners in order to improve non-lending support offered at country level.</p> <p>With regard to the financial scenarios, Management is grateful for this recognition of the improved balance of ambition and realism across the financial scenarios. Management urges Member States to support the higher scenarios in order to maximize resources for the poorest countries and accelerate action on food security and food systems transformation towards 2030.</p> <p>With regard to the idea of a standalone replenishment completion report, Management appreciates Austria's suggestion to introduce this report and agrees that it should have added value for Member States as well as IFAD.</p> <p>With regard to the commitments, Management has sought to ensure an ambitious package of commitments that build on IFAD's core mandate and priorities, and to leverage recent reforms and work delivered in IFAD12 as a foundation for IFAD13. As noted in the consultation meetings, the 45 per cent climate target is considered ambitious but achievable and reflects the urgent need to scale up climate finance for small scale producers and rural areas. With respect to the point on additional climate contributions (ACCs), it is proposed that the target of 45 per cent of the programme of loans and grants (PoLG) remain as the main climate finance target, but ACCs will be included in overall reporting on climate finance in the PoLG, and as such the final result could exceed 45 per cent depending on the level of ACCs</p>

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	<p>empowerment to achieve IFAD's mandate.</p> <ul style="list-style-type: none"> There are several indicators with a baseline above (e.g. government performance or effectiveness of IFAD country strategies) or sometimes significantly above (e.g. gender transformative projects) the IFAD 13 target. The question is, in case results have been consistently high in the recent past, if these targets should not be increased? 	<p>mobilized. However, it is not considered appropriate at this stage to consider increasing that target. It should be noted that in addition to the climate finance related to IFAD's own PoLG, IFAD also mobilizes substantial amounts of climate finance from global climate funds such as the Green Climate Fund (GCF) and Global Environment Facility (GEF). These resources are included in IFAD's reported cofinancing.</p> <p>The targets for allocation of resources to countries with fragile situations and LICs reflect Member States joint commitment to maximize resources for the poorest countries whilst remaining universal. Replenishment contributions are crucial to enabling IFAD to preserve its significant level of concessionality to be provided to countries with debt vulnerabilities.</p> <p>On the new policy commitments that foresees that 100 per cent of country strategic opportunities programmes (COSOPs) are aligned with country nationally determined contributions (NDCs), these commitments aim to support our enhanced country programmatic approach and enable IFAD's country programmes to serve as a platform for IFAD, governments and partners to support delivery of these priority agendas.</p> <p>With regard to the share of core resources allocated to Africa, this is an outcome of a number of factors, including the "performance" and "needs" components of the performance-based allocation system (PBAS) formula, and particularly the overall level of the replenishment and amount of funding that can sustainably be allocated for grant financing to countries in or at high risk of debt distress. Of the 43 African countries that received financing in IFAD12, 12 required Debt Sustainability Fund (DSF)</p>

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		<p>grants. Currently this figure has increased to 15 and may increase further during IFAD13. As such the share of core resources for Africa and sub-Saharan Africa (SSA) is strongly related to the volume of DSF financing available in IFAD13, which itself is determined by the level of replenishment contributions.</p> <p>In addition, it is necessary to take into consideration possible changes in values in the PBAS formula variables that may further affect regional PBAS outcomes. Accordingly, while the minimum shares for Africa and SSA have been exceeded in IFAD12 it is prudent to maintain these minimum levels for IFAD13 to account for these factors, recognizing that they are minimums and not upper limits. The first reporting on the actual share of core resources to Africa and SSA will take place through the progress report presented to the Executive Board at the session to be held in December 2024, which will include the IFAD13 resources distribution.</p> <p>With regard to the targets on gender, as discussed during the IFAD12 midterm review, Management is seeking to manage the risks of increasing project complexity. In addition, IFAD is looking to strengthen its implementation support to the ongoing gender transformative projects over the next years to ensure that full impact is achieved, so prefers to retain the same target at design. It should also be noted that the current figures indicating that 53 per cent of approved IFAD12 projects are classified as gender transformative at design refers to 2022 approvals only. In 2023 and 2024 when there is still a significant pipeline of planned new projects, it is possible the final results, which will be reported in the RIDE 2025, will be closer to the</p>

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		<p>target. Please also note the proposal in response to other comments to shift terminology for IFAD12 to align with CFS-agreed terminology and refer to “projects with transformative outcomes for gender equality and women’s empowerment”.</p> <p>Thank you for the positive feedback. Regarding increasing targets for indicators where there is already strong performance, in line with common practice across other international financial institutions (IFIs) results management frameworks targets at 80 per cent to 90 per cent are already high. Increasing them further would not necessarily support further improvement, particularly on indicators subject to a range of influences, and also on thematic indicators where space must also be left to respond to country demand. Some areas, such as government performance or scaling up, were weaker during IFAD10 and have been improving under IFAD11 and IFAD12, hence targets are being kept realistic.</p>
Argentina	<p>-Argentina would like to thank IFAD for the opportunity to comment on this draft report in view of the 3rd session of the Replenishment.</p> <p>-We continue to view with concern the eligibility criteria outlined in the proposal for the creation of Additional Climate Contributions (ACCs), as discussed in the latest Consultation session. In this sense, we reaffirm our belief that the ACCs should be accessible to all Middle-Income Countries, including the Upper-Middle-Income Countries. We firmly believe that a mechanism should be proposed that enables UMICs to qualify for access to ACCs funds, and thereby fostering equitable participation in climate-related endeavors. We hope that the new document will incorporate the feedback and observations voiced by Member States.</p> <p>-We would appreciate further information regarding</p>	<p>Management thanks Argentina for these comments.</p> <p>Management would like to provide assurance that upper middle-income countries (UMICs) will benefit from the creation of ACCs as an increase in core resources leads to higher leverage, and hence increased availability of Borrowed Resource Access Mechanism (BRAM) financing, that can be used flexibly by UMICs also to finance climate-related investments.</p> <p>It is important to highlight that with ACCs there is no direct pass through of funding, as would be the case for supplementary resources where contributions are linked to specific projects and disbursements. ACCs become part of IFAD’s core resources and are integrated into the overall</p>

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	<p>the strategy to promote the effective implementation of the BRAM mechanism in IFAD13 discussions.</p> <ul style="list-style-type: none"> -We strongly advocate for the use of UN multilaterally agreed language because it provides clarity, consistency, and predictability in our discussions. -We support France's proposal regarding multilingualism and the development of indicators that will enable us to assess its proper implementation within IFAD. 	<p>financial framework of the replenishment. The increase in funding will allow IFAD to provide "climate top-ups" to PBAS-eligible countries in an amount equal to the level of ACCs received, as well as increased BRAM financing in an amount indicatively estimated at 30 per cent of the value of ACCs received. The reason climate top-ups are distinguished from the regular PBAS allocations is to enable IFAD to ensure that the amount of climate finance programmed as a result of ACCs is at least equal to the value of the ACCs, and to be able to report accordingly.</p> <p>The boost to BRAM resulting from ACCs is already integrated in the financial scenarios, based on the target level of ACCs in each scenario. BRAM-eligible countries will be able to access this increased financing with fewer restrictions on its use compared to climate top-ups for PBAS-eligible countries, which must be used for 100 per cent climate-related investments.</p> <p>However, we recognize that this may not have been sufficiently clear in earlier versions of the document and additional clarifications have been included in the document to emphasize that UMICs will be able to access increased funds deriving from ACCs, through the existing BRAM and without additional earmarking.</p> <p>With regard to the request for further information on the BRAM implementation, Management confirms that the PBAS and BRAM will remain the two key resource distribution mechanisms for public sector lending in IFAD13. Since the BRAM was established, IFAD's yearly funding plan has been implemented in order to ensure</p>

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		<p>adequate funding to meet BRAM targets (with annual reporting to the Executive Board), and there is a strong pipeline of investment projects to be financed by BRAM resources. Management is confident that the full volume of resources available will be programmed by the end of the cycle.</p> <p>Updates on implementation of the PBAS and BRAM are provided to the Executive Board every December, and the next update will be discussed at the 140th session of the Board to be held in December 2023. A complete overview of the implementation of the PBAS and BRAM will be provided at the end of the IFAD12 cycle, providing opportunities to discuss lessons learned from the implementation of this new mechanism once the full cycle has been completed.</p> <p>With regard to use of United Nations multilaterally agreed language, Management appreciates this comment and recognizes the importance of using multilaterally agreed language wherever it exists. Updates have been made to the text of the report in this regard, and in response to specific comments provided also by other Member States.</p> <p>Regarding the topic of multilingualism, please see the response to the joint comment by Argentina and other Member States on this issue.</p>
Ireland	<p>IFAD has presented a very strong replenishment proposal. It makes a clear and robust case for the increase in core resources and proposes innovative approaches that are appropriate to current fiscal context.</p> <p>We commend the increasing share of core resources going to LICS and increased concessionality over IFAD12 with the grant element going up from 44% to 47%. This, along with other measures to respond to</p>	<p>Management thanks Ireland for these comments.</p> <p>Regarding the principle of remaining engaged, additional material has been included in paragraph 33 of the main report, reflecting some of the main points of the annex on fragility, while making clear that IFAD is not a humanitarian organization and coordinates closely with relevant partners across the humanitarian-development-peace nexus.</p>

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	<p>debt distress, will help to ensure that IFAD resources support Ireland's priority to reach the furthest behind first</p> <p>We have comments on 3 areas</p> <ol style="list-style-type: none"> 1. Recent evaluations have demonstrated the strength and value of IFAD's ability to remain engaged in situations where many other external actors have shifted to a humanitarian response. We are pleased to see the principle of remaining engaged highlighted in paragraph 16, but we consider that this is a very significant comparative advantage which could be given more attention in the document. This is not only about building resilience to future crises, but ability to sustain engagement and programmes in current and ongoing crises. 2. We are pleased to see the increase in the target debt-to-equity ratio (from 31% in IFAD12 to 35-39% in IFAD13) alongside the commitment to a gradual build-up of leverage and the planned review of capital adequacy. We would like to see IFAD as a strong contributor to MDB financing reform as part of its role in mobilising and assembling resources for food systems and agriculture. 3. We welcome the strengthened nutrition offer and the increased integration of nutrition and food security which is reflected in the proposed new impact indicator on food security which will complement the indicator on dietary diversity. We are pleased to see two of four key entry points for building resilience in fragile states are increased food and nutrition security through enhanced food systems and boosting women's role. <p>Reducing malnutrition in rural areas is a product of a pool of investments including increased income, food security, nutrition interventions and others. Consequently, it is surprising that while 103 million</p>	<p>Regarding multilateral development bank (MDB) financing reform, IFAD is closely following the discussions on MDB reforms and continues to work to maximize the benefits of its financial reforms undertaken over recent years, and of the possibilities for borrowing under the Integrated Borrowing Framework and thanks to IFAD's strong credit rating. Further discussions on this topic are planned with the Executive Board during 2024.</p> <p>Regarding nutrition, Management confirms that reporting on results will be provided to the Executive Board on an annual basis, while reporting on impact is done at the end of each replenishment cycles. Results of impact assessments undertaken on projects that have closed during IFAD12 will be presented to the Executive Board in 2025 and will provide an important opportunity to assess progress made on nutrition.</p> <p>The IFAD11 impact assessment report presented to the Executive Board at its 136th session showed that projects that closed during the IFAD11 period led to an improvement in nutrition for 0.6 million people, falling short of the target of 12 million. The projects included in the IFAD11 impact assessments lasted an average of eight years, thus were designed before nutrition was systematically mainstreamed into projects. This report showed that while food security improved, achieving necessary behavioural changes to improve nutrition is time consuming and challenging without a dedicated theory of change.</p> <p>This does not mean that investments in IFAD's projects do not deliver nutritional outcomes, but that impacts are more likely to be realized when nutrition is embedded at the design stage.</p>

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	<p>people are expected to have increased income and 78 million to have improved food security, only 5 million people - less than 5% - are expected to show improved nutrition by the end of IFAD13. Particularly so, when 60% of new investments have been required to be nutrition sensitive since IFAD12.</p> <p>We recognize that this partly a measurement issue and we welcome the proposal to move from monitoring against targets to tracking results over time.</p> <p>However, we would like to see sustained priority given to the context-specific pathways between rural economic transformation and food and nutrition outcomes, which combine both sufficient and nutritious foods, reflecting SDG2. The forthcoming evaluation of FNS will be an important contribution to this.</p> <p>Secondly, as part of the move to track results over time we hope to see annual milestone information presented to the Executive Board on progress. This will mitigate the risk that the low target might reduce ambition.</p>	
Netherlands	<p>First of all, the Netherlands would like to commend Management for the well written draft report on the Consultation on the Thirteenth Replenishment of IFAD's resources. We appreciate the opportunity to discuss the report virtually and provide written comments before the third session of IFAD13. We have the following remarks and questions on the draft report:</p> <p>General: The Netherlands remains supportive of the three focus</p>	<p>Management thanks the Netherlands for these comments.</p> <p>With regard to the specific questions:</p> <p>First of all, regarding the focus on biodiversity, IFAD's existing Social, Environmental and Climate Assessment Procedures (SECAP) standards on biodiversity and input use already provide a framework to ensure that IFAD-financed projects</p>

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	<p>areas of IFAD13; fragility, climate & biodiversity and private sector.</p> <p>The document closely aligns with the Dutch development cooperation policy.</p> <p>We would like to thank management for the adjustments in the financing scenarios.</p> <p>We appreciate the engagement with key partners such as farmer's organizations, indigenous Peoples and Youth. Participation of beneficiaries is essential in establishing a demand-driven approach.</p> <p>The Netherlands looks forward to a consolidated strategy on climate, environment and biodiversity.</p> <p>What will the focus on biodiversity entail? Will this affect the pipeline activities of IFAD?</p> <p>We would like to receive clarity on the numbers used in the report, how do the scenarios correspond to the numbers referred to in the report?</p> <p>MOPAN report also shares the advice of keeping it simple. How will the mainstreaming themes be balanced with simplicity? (ambition vs. complexity?)</p> <p>Fragility:</p> <p>We appreciate the added paper on fragility which more clearly explains the approach of IFAD in fragile situations.</p> <p>Could management explain the differences in the definitions used on fragile countries and fragile situations. Not all projects that are executed in fragile countries, are being executed in fragile situations. Will there be a distinction in the approach on this?</p> <p>Could management elaborate on the drivers of fragility that IFAD will focus on in the report?</p> <p>Climate:</p> <p>The Netherlands supports the increase of share of climate finance from 40% to 45% and the launch of the additional climate contributions (ACC's).</p> <p>Would like to encourage management to determine</p>	<p>identify and address any risks to biodiversity loss and promote sustainable use of natural resources. This ensures alignment with at least targets 7 and 10 of the Kunming-Montreal Global Biodiversity Framework (GBF). Integrated landscape management and restoration (targets 1 and 2 of GBF) are also important aspects of IFAD's current portfolio and there are many overlaps between the biodiversity work that IFAD engages in and the climate resilient and nutrition sensitive investments, showing the strong nexus between biodiversity, climate and nutrition.</p> <p>Going forward, IFAD will build on its strengths and champion a transformative, people-centred approach to biodiversity that leverages linkages to climate, nature, nutrition and food systems. A commitment to sustainable agriculture investments and the promotion of biodiversity-positive development, such as enhancing agro-biodiversity and strengthening landscape ecosystem services through agroecology and other innovative approaches, are central to IFAD's strategy.</p> <p>Crucial to this is the identification and maximization of co-benefits with climate and nutritional aspects, as well as enhancing market incentives for biodiversity through the promotion of local markets, integrating biodiversity in value chain standards, and creating green job opportunities along biodiversity supply chains. Furthermore, IFAD aims to strengthen enabling environments and amplify public-private finance that boosts incentives for Indigenous Peoples and local communities and private actors in the biodiversity sector, involving the development of biodiversity-positive interventions and innovative finance mechanisms, and mobilizing dedicated biodiversity finance.</p>

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	<p>the comparative advantage of IFAD's activities with respect to climate adaptation. At the moment a wide variety of activities is mentioned in the report. We would like to gain a better understanding of the Paris Alignment which is mentioned in the report. What will this entail?</p> <p>Private Sector: The Netherlands supports the integration of private sector into the core contributions of IFAD since it is an integral part of closing the financing gap. However, the approach, specifically on assembling seems ambitious for this replenishment round (2025-2027). Could IFAD clarify whether including private sector in the core will lead to less activities in other sectors (will there be a substitution effect?). How will the private sector approach be aligned with the ongoing decentralization approach? Policy commitments and Results Management Framework With regard to indicators reporting on impact assessed through IFAD's attributable impact assessments, we would like to ask IFAD whether there would be possibilities to look into the question of how lasting these impacts are, e.g. five years after exit. As the ARIE report 2023 has shown, efficiency remains an important area of attention. How does IFAD incorporate improving efficiency in the report? How does IFAD plan to balance cost effectiveness (financing large projects) versus impact and effectiveness of the projects? We call on IFAD to be more ambitious and look beyond existing NDCs and Paris-alignment alone. Thank you and kind regards</p>	<p>Regarding how the scenarios correspond to the numbers used in the report, estimates of impact in each scenario rely on projections from IFAD11 impact assessment results, and assumptions to account for the global crisis context that IFAD operates in. IFAD11 impact assessment results were presented to the Executive Board at its 136th session. The impact targets included in the proposed IFAD13 RMF are minimums based on scenario A.</p> <p>Regarding mainstreaming, Management is balancing ambition with complexity by maintaining the same targets for integrating mainstreaming targets in new project designs. This will permit more resources to be focused on supporting mainstreaming themes during project implementation, and will preserve flexibility for project design teams and the borrowers themselves, to choose the mainstreaming themes that each project focuses on based on their assessment of the suitability of these themes to the context, and linkages to the overall country programme priorities and objectives, and avoid becoming overly supply-driven, which is not in line with IFAD's business model or mandate.</p> <p>Importantly, this does not imply that IFAD is rolling back ambition for all projects to mainstream consideration of gender, climate, youth or nutrition, or that Management is reducing ambition for impact across these themes at the portfolio level. Rather it recognizes that all projects cannot equally prioritize all themes regardless of context or the nature of the specific project. This allows Management to focus on delivering on these targets at portfolio level, while</p>

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		<p>preserving flexibility at the level of individual projects.</p> <p>Regarding fragility, since the approval of the IFAD strategy for engagement in countries with fragile situations (EB 2016/119/R.4) IFAD no longer uses the terms “fragile countries” or “fragile states” but recognizes that countries may be affected by different forms and situations of fragility or vulnerability at national, subnational or regional levels, with context-specific drivers and consequences. In addition, it is correct to highlight that not all IFAD-financed projects in countries with fragile situations are actually being executed in the most affected areas. For example, in countries experiencing active conflict situations, IFAD projects are often implemented in less affected areas of the country, providing important support to sustain the food systems of those countries, and to create opportunities for internally displaced persons and their host communities in areas not affected by active conflict.</p> <p>At the same time IFAD often operates in the <u>more</u> fragile areas of countries that are <u>not</u> included in the World Bank list. IFAD’s target groups are typically found in more remote and vulnerable regions of the countries where IFAD works. These are typically amongst the poorest, and most resource-constrained, areas of the country, where rural communities may be particularly marginalized or placed in situations of vulnerability, and where the context is in many ways similar to that in countries formally included on the World Bank list.</p>

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		<p>Hence IFAD's target to allocate at least 30 per cent of core resources to countries defined by the World Bank as affected by fragility and conflict should not be seen as representing the full extent of IFAD's work in relation to fragility and vulnerability more broadly.</p> <p>An additional footnote has also been added to paragraph 31 regarding the fragility drivers relevant to IFAD's mandate and comparative advantage.</p> <p>Regarding climate, IFAD was an early mover on climate adaptation, through the Adaptation for Smallholder Agriculture Programme established in IFAD9 (2013-2015), and through IFAD's commitment to mainstream climate change across its entire portfolio and the steady increases in the share of IFAD's overall PoLG that is specifically dedicated to climate-related investments. The specific adaptation comparative advantage is evidenced by the 90 per cent share of adaptation finance in IFAD's overall climate finance, and its current commitment that 90 per cent of IFAD-financed projects include activities that build adaptive capacity.</p> <p>The impacts of the adaptation-focused investments are still unfolding, as they will for many years to come as the impacts of climate change become clearer, yet IFAD has already generated significant evidence and lessons about the design and financing of effective adaptation action in the smallholder agricultural sector and has developed considerable in-house expertise and a strong reputation as a key partner for others interested in investing in adaptation in the small scale agriculture and rural</p>

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		<p>space, and its linkages with food security, poverty reduction and other issues such as nutrition, gender and fragility.</p> <p>It is important to highlight that effective adaptation actions are extremely context-specific. What works in one local context may actually have a negative effect in another. As such, there is no standard list of effective adaptation activities (as is the case with climate change mitigation). IFAD can only provide examples of what has been tried and tested in the field to date. Since beginning work on this issue, IFAD has also championed the importance of bottom-up and highly participatory approaches to identifying potential responses to the key vulnerabilities identified in the climate risk assessments, recognizing the importance of local knowledge and local ownership of solutions. In this way the multiple benefit approaches IFAD has programmed for over a decade have been flexible and include a fairly wide range of activities (e.g. developing early warning systems, provision of drought tolerant crop varieties, training of extension workers, and climate proofing post-harvest storage facilities). The presence of dedicated and highly qualified technical staff to support the project design process, together with the availability of grant financing for zero-risk piloting of new activities, are also key aspects of IFADs business plan and advantage.</p> <p>With regards to alignment with the Paris Agreement, the development of a roadmap will provide clarity on the key role IFAD can play in supporting countries in realizing their climate action plans in the small-scale agriculture and rural sphere,</p>

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		<p>in accordance with the Paris Agreement, drawing on the Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment,¹ and including specific actions, timelines and resource implications.</p> <p>IFAD's roadmap would distinctly outline specific future actions, encompassing:</p> <ul style="list-style-type: none"> • Transitioning to conduct a detailed greenhouse gas (GHG) emissions analysis for all IFAD-financed projects, including during the conceptualization phase, to pinpoint optimal agricultural investment choices rooted in their climate adaptation-mitigation harmony and mitigation prospects. This process will also be conducted upon project completion; • Enhancing the integration between NDCs and national biodiversity strategies and action plans (NbSAPs) within our project blueprints; • Boosting staff familiarity with the Paris Agreement and the Global Biodiversity Framework, elucidating the ways we can assist; • Amplifying combined adaptation-mitigation-biodiversity advantages in our investments; • Further refining our approach to evaluating climate risks in project designs, and augmenting the identification of sustainable, context-relevant and inventive climate adaptation strategies tailored to IFAD's target demographics;

¹ <https://www.worldbank.org/en/publication/paris-alignment/joint-mdb-paris-alignment-approach>

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		<ul style="list-style-type: none"> • Increasing the volume of climate finance sourced from diverse contributors, especially the private sector; • Intensifying our support to Member States in augmenting their NDCs and national adaptation plans (NAPs) and in formulating investable initiatives to attain climate objectives, specifically pertaining to the agricultural sector and the transformation of the food system; and • Further advancing the assessment and documentation of climate resilience results accomplished by projects. <p>Regarding the private sector, IFAD has so far followed a prudent approach to build its private sector investment activities and this will continue. The ambition for catalysing and assembling was set up in line with the following:</p> <p>(i) IFAD's past experience: for example, IFAD has invested over US\$1 billion in rural finance activities through its sovereign investments, and there is an opportunity to enhance the catalytic effect of such operations for private sector financing. IFAD has also assembled financing for the Agribusiness Capital (ABC) Fund, the Uganda Yield Fund and the Inclusive Green Financing Initiative (Igreefin); and</p> <p>(ii) upcoming pipeline: the current pipeline includes several potential platforms that IFAD will potentially lead or support. This includes the Africa Rural Climate Adaptation Finance Mechanism (ARCAFIM) platform that will be presented to the Executive Board at the informal seminar to be held on October 30.</p>

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		<p>On the substitution effect, IFAD's work is demand-driven and greater private sector engagement is a high priority for many country programmes. The PSFP stated objective and focus are strongly aligned with IFAD's overall mission to serve the rural poor, by leveraging and complementing the solutions already offered by IFAD through its PoLG. The PSFP end beneficiaries are in fact expected to be poor people, smallholders and households living in disadvantaged and poor rural areas in developing country Member States active in local food systems through farms and non-farm activities. The particular focus of the PSFP is on underserved groups, notably women and youth. Ultimately, these resources will benefit IFAD's Member States and target groups, with the only difference that they will be channelled through a private sector entity rather than a government. Note also that in light of increasing fiscal pressure preventing countries from borrowing and the scarcity of DSF resources, channelling resources through the private sector to support IFAD's mandate may be the only or the most feasible option when government borrowing capacity is reduced.</p> <p>Within the overall IFAD13 PoLG, the share allocated for the PSFP represents approximately 3 per cent, while the core resources of US\$18 million is 0.5 per cent of the total POLG. However, this limited amount of funding is expected to have a large catalytic effect in terms of leveraging a far higher cofinancing than sovereign investments, and the linkages to sovereign investments will also increase their impact.</p>

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		<p>In terms of decentralization, one investment officer from the Private Sector Advisory and Implementation Unit (PAI) is already based in the Nairobi Office. Overall delivery of the PSFP also involves IFAD staff across various departments located both in Rome and in decentralized offices.</p> <p>Regarding the proposal to conduct impact assessments after a longer period has elapsed post project completion, conducting further impact assessments of this kind would require additional financial and human resources, and the results may be less reliable due to hard-to-discern contamination and spill overs from variables such as implementation of other projects in the targeted areas, as well as risks associated with identification of beneficiaries to interview.</p> <p>Project-level efficiency is an area of lower performance compared to others, but has improved since IFAD10 (67 per cent projects rated moderately satisfactory or better in IFAD10, against 76 per cent in IFAD11 and IFAD12 so far). The IFAD13 Results Management Framework (RMF) continues to measure the efficiency of projects at completion (see indicator 2.2.3), and the Efficiency Action Plan developed as an IFAD12 commitment is currently under implementation and will continue into IFAD13. This includes actions to improve planning at project design, enable timely corrections during implementation and improve assessment at completion. IFAD has also invested in improving the procurement process, a key driver for project-level efficiency, and in speeding up disbursement processing. Finally, portfolio consolidation through greater use of multi-phased programmatic approaches, and reducing the number of ongoing sovereign investment projects to</p>

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		approximately 200, is also expected to improve efficiency.
France	<p>France would like to thank IFAD Management for a comprehensive and in-depth document that covers all the issues raised by the various Member States since the start of the Consultation. We would like to make the following comments on our first reading and analysis of the document.</p> <p>1. Scenarios and financing arrangements Regarding the financial scenarios, we would like to thank IFAD for its clear and detailed presentation of the four selected financial scenarios and their implications. We support the call to mobilize US\$2 billion in additional financing for IFAD. The Thirteenth Replenishment of IFAD's Resources (IFAD13) provides a unique opportunity to make a significant and coordinated contribution to achieving Sustainable Development Goals 1 (poverty eradication) and 2 (zero hunger). France has therefore decided to renew its support by contributing US\$150 million to this new replenishment cycle, which is an increase in line with scenario C. We would also like to applaud the ambitious announcements by Spain and Norway, which will bring us closer to this objective.</p> <p>We note with interest the steady growth in the leverage ratio in IFAD12 and continuing into IFAD13 and IFAD14, in line with IFAD's ambition to mobilize more grant resources, particularly sovereign loans. We encourage IFAD to adopt a prudent approach in this respect, to ensure that this mobilization increases steadily and that the IFAD model is not destabilized.</p> <p>With regard to cofinancing, we welcome the increased ambition of 1:1.6 for IFAD13. However, we regret that this target falls below the level in IFAD12. We therefore encourage IFAD to increase its target</p>	<p>Management thanks France for these comments and appreciates the strong support for an ambitious IFAD13 replenishment.</p> <p>Regarding the gradual increase in leverage, it is important to highlight that the leverage is comprised of concessional partner loans (CPLs), which are pivotal to support IFAD's concessional lending, as well as sovereign loans and private placements. Management will continue adhering to a gradual and prudent approach to borrowing reflecting its financial sustainability and the demand from developing countries. At the same time, IFAD will continue ensuring its relevance to countries with debt vulnerabilities by providing a significant share of its financial resources in concessional terms.</p> <p>Regarding cofinancing, given the current economic environment and high levels of debt, Management believes that it will be challenging to secure increased levels of domestic cofinancing in IFAD13 and proposes to retain the current proposal to increase the target from 1:1.5 in IFAD12 to 1:1.6 in IFAD13, with the increase expected to be derived from increased international cofinancing. IFAD is already observing the initial impact of the current economic environment, as can be observed in the cofinancing ratio reported in the RIDE 2023 for the period 2020-2022, which stands at 1:1.63, compared to 1:1.95 in 2019-2021.</p> <p>The cofinancing of NSOs was above target in 2022, but based on a limited number of operations. As the NSO portfolio expands, IFAD will also be able to monitor trends and enhance learning on this aspect.</p>

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	<p>cofinancing ratio, including by improving the performance of national cofinancing, to gradually increase national investments benefiting family farmers, the sustainability of certain investments and to achieve a greater impact. The same is true of the leverage effect of non-sovereign investments, which could be raised, particularly in view of the broadening of the Private Sector Financing Programme (PSFP). Regarding sources of finance, we believe that the question of introducing public issuances into the financing model should be subject to Executive Board consultation, as announced by President Lario at the Executive Board retreat in May 2023. We would therefore be in favour of removing the first sentence of paragraph 115 to allow adequate time for reflection and analysis by the Executive Board representatives.</p> <p>2. Cross-cutting themes and priorities a. Climate and biodiversity We would like to commend Management for taking into account the views of a number of Member States on increasing climate ambition following the discussions in February. We therefore welcome the unconditional increase in the climate target from 40 to 45 per cent of the programme of loans and grants, regardless of the level of additional climate contributions (ACC). We would like to recall our proposal to establish a 50 per cent “super target” which would be automatically triggered when ACCs reach a predetermined threshold (e.g. US\$100 million, as mentioned in the previous version of the document); We also believe that a stricter no-substitution clause could be introduced, particularly in the case of option 1 for voting rights, under which ACCs would only be possible for Member States committing to pay at least</p>	<p>Regarding paragraph 115, we confirm that the proposed new wording from France is in line with Management’s strategic vision and the paragraph has been revised in line with the comment, removing the first sentence.</p> <p>Regarding the climate finance share of the PoLG, given that the 45 per cent target is already ambitious, and given the conservative nature of the MDB methodology, it is proposed to retain the target at 45 per cent. However, reporting during IFAD13 will take ACCs into account and it is possible that the 45 per cent target will be exceeded. It is estimated that US\$300 million to US\$350 million in ACCs could be sufficient to reach an overall level of 50 per cent of the PoLG.</p> <p>Regarding the substitution clause for ACCs, comments were received with suggestions for a number of different alternatives for avoiding substitution risk. A strong consensus appears to exist around the following option: for a Member State to access voting rights in relation to ACCs, the Member should make a core pledge for IFAD13 in an amount of at least 100 per cent of their most recent core contribution in nominal terms and in local currency. This threshold, combined with the provision of a lower level of voting rights (50 per cent) compared to core contributions, is proposed as a sufficient mechanism to manage substitution risk.</p> <p>Comments on the Paris alignment roadmap are also well noted. Details on the approach to integrate nature-based solutions into IFAD’s interventions will</p>

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	<p>100 per cent of their “highest” core contribution, rather than their “most recent” core contribution. While we welcome the target of 30 per cent of climate action finance to be dedicated to nature-based solutions, we would like clarification on the form that this would take.</p> <p>We also applaud the development of a roadmap to align IFAD’s action with the objectives of the Paris Agreement and will ensure that the three objectives are fully taken into account: adaptation, resilience and mitigation of climate change.</p> <p>Lastly, in view of the climate, environment, biodiversity and nutrition challenges addressed by IFAD, the development of plant protein sectors, particularly legume production, could be an interesting area for further work, helping to strengthen local agricultural sectors and promote agroecological practices, while reducing dependence on imports (edible oil, animal feed, fertilizers).</p> <p>b. Private sector</p> <p>Overall, France supports IFAD’s desire to engage the private sector to empower small-scale farmers. Establishing a new funding model for the PSFP would therefore appear essential in order to achieve this objective.</p> <p>We would like to ensure that the allocation formula for additional financing is consistent with the overall targets of IFAD’s programme of loans and grants. It is our understanding that only supplementary resources will enable private operations to be financed in support of the poorest countries and with fragile situations; yet these are the ones most in need of easier access to private finance, particularly countries where the public sector is failing. More details are thus needed on the allocation of core resources (US\$18 million) made available.</p>	<p>be developed as part of the integrated climate and biodiversity strategy to be prepared during IFAD13.</p> <p>Regarding the private sector, Management confirms that funding of NSOs in LICs, LMICs and fragile situations will <u>not</u> be reliant on mobilization of additional supplementary resources. NSOs in these country contexts can be delivered only with core and borrowed resources if needed. Indeed, there are three ways they could be funded, using:</p> <ol style="list-style-type: none"> i. IFAD’s borrowed resources, to be blended, when relevant, with concessional resources (coming from the core grant resources of up to US\$18 million and/or supplementary funds if they are available); ii. PSFP investments channeled through private sector entities located in non-fragile or high-risk locations that have subsidiaries in LICs and fragile situations, while ringfencing the benefits of the funding to the country in high need. This approach has been followed by several MDBs to reconcile risk and impact; or iii. Supplementary resources channelled through the PSTF. <p>Regarding the governance and operations of the PSFP, currently the Executive Board is the ultimate decision-making authority for the PSFP and approves all project proposals and relevant strategies and policies. This is in line with the Board-approved Private Sector Engagement Strategy 2019-2024, Framework for IFAD Non-Sovereign Private Sector Operations Policy on Disclosure of Documents for non-Sovereign Private Sector Operations. The advisory committee, comprising supplementary donors to the PSTF, has an oversight role of the pipeline</p>

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	<p>We would also like clarification on the programme's change in governance: will the former advisory committee be completely relieved of its duties? Will the Strategy and Knowledge Department (SKD) be entirely responsible for running the programme?</p> <p>c. Gender We commend IFAD for raising the target for the number of women at P-5 level and above to 45 per cent, up from 40 per cent in IFAD12 and 35 per cent in IFAD11. We believe it is essential that gender objectives are reflected in IFAD's operating model and that its commitment to gender equality and parity is translated into firm commitments within the institution.</p> <p>d. Youth We suggest clarifying the indicator "60 per cent of projects are youth-sensitive".</p> <p>e. Fragilities We agree with the proposal to increase the percentage of core resources for countries with fragile situations to 30 per cent. We would also like to emphasize that in this type of context, the quality of the investment, i.e. the fact that it is tailor-made, is just as important as the amount.</p> <p>f. Low-income countries We welcome IFAD's proposed increase in core resources for low-income countries (45 per cent compared to 42 per cent in IFAD12), which will be a binding target for the first time in a replenishment cycle. In accordance with our updated development aid policy (CICID 2023), we are defending in multilateral forums a financial contribution to the least developed countries equivalent to 50 per cent of resources.</p> <p>We also wonder whether the targets for Africa and sub-Saharan Africa (55 and 50 per cent respectively)</p>	<p>and provides guidance on the alignment of proposed projects compared to the PSFP objectives. To date, eight NSOs have been approved by the Board, in Bolivia, Cambodia, Madagascar, Malawi, Mozambique, Nigeria and Uganda, in addition to an equity investment in the ABC Fund. In September 2023, the Board authorized the submission of NSOs up to a ceiling of US\$25 million for approval under the lapse-of-time procedure.</p> <p>In terms of the operation of the programme, while PSFP coordination has been housed in SKD, all PSFP projects are managed and supported by an interdepartmental project development team that consists of: the Investment Officer, the Country Director, a Risk Officer, a Project Lawyer, a Financial Crime Risk Officer, a Finance Officer and Financial Management Officer and an Environment, Climate and Gender Specialist.</p> <p>Independent assessments from IFAD's Office of Risk Management are built into the process to ensure the Executive Board and internal decision makers have a rigorous assessment of the risks each operation entails. Similarly, an independent assessment of the blended finance principles is built into the review process and is submitted to the Board, when applicable, to show rigour in the deployment of blended finance operations.</p> <p>As part of the framework for implementing the new PSFP funding modalities planned for submission to the Executive Board during the third quarter of 2024 (commitment 1.4, monitorable action 14), Management will be reviewing these arrangements based on lessons learned and best practice in other organizations, and will present updated PSFP governance measures to the Executive Board. The guiding principle will remain strong oversight from the Executive Board.</p>

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	<p>should be retained, in view of the increased target for countries with fragile situations (most of which are African countries) and given that Africa is the continent hardest hit by the consequences of the current crises.</p> <p>3. Existing content and suggested additions We take note and thank IFAD for the reference to the Summit for a New Global Financing Pact held in Paris in June 2023. It constitutes a significant milestone in the achievement of a number of objectives relating to financing the fight against poverty and the preservation of the planet, and to the development of the international financial architecture.</p> <p>We also applaud IFAD for carrying out a review of its Capital Adequacy Policy, in line with the recommendations of the G20 report on capital adequacy frameworks, launched under the Italian Presidency of the G20 and subsequently taken up by the Indonesian and Indian presidencies. France fully supports the recommendations aimed at freeing up additional financing capacity while preserving the financial viability and credit rating of multilateral development banks.</p> <p>We regret the failure to make any reference to the Graduation Policy adopted at the last consultation (IFAD12). This document should set out the next steps for implementing this policy and the means proposed to ensure that it can be adjusted flexibly to fully reflect countries' real income levels. In our view, an appendix should be attached to the IFAD13 strategy document.</p> <p>We also regret the removal of the objective of reducing the time between project approval and first disbursement from IFAD's commitments and would like to see it reinserted into the Results Management Framework (RMF).</p>	<p>Regarding youth, a footnote has been included in paragraph 65 explaining that IFAD's Rural Youth Action Plan (2019-2021) defines youth-sensitive projects as projects that (i) describe youth and their context-based challenges and opportunities in the project design analysis; (ii) inform a targeting strategy that explicitly targets youth with concrete objectives and activities to achieve impact in priority areas (see below), expressed as part of the project's theory of change, approach and results framework; and (iii) allocate resources to deliver activities targeting youth. In IFAD12, this definition was further updated to require youth sensitive projects to embed a specific outcome indicator on employment: CI 2.2.1: Persons with new jobs/employment opportunities.</p> <p>Regarding fragility, this comment is well noted, and as indicated in annex IV all IFAD-funded programmes and interventions in fragile situations should be informed by a deep understanding of the context. Key elements of IFAD's updated approach in such contexts are to strengthen diagnostics for tailoring of interventions to the specific local context, to focus on limited geographic areas to facilitate the same, and to take a phased approach and build up over time to allow integration of lessons learned. This is also in line with the principle of ensuring that IFAD-funded interventions do no harm. Additional wording has also been added to para 33 to reflect the point on quality of financing.</p> <p>Regarding the share of core resources allocated to Africa, this is an outcome of a number of factors, including the PBAS formula variables, and particularly the overall level of the replenishment</p>

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	<p>We would like to reiterate the importance for IFAD to support the development of sustainable food systems in relation to school feeding programmes, bearing in mind IFAD’s status as a member organization of the School Meals Coalition. In this respect, we note that the first discussion paper prepared by IFAD in November 2022 for the pre-consultation on IFAD13 contained a specific reference to the provision of food to school systems (paragraph 30). In the light of the above, the following is proposed:</p> <p>In the draft report, add a new paragraph 65, as follows: “As a member of the School Meals Coalition, IFAD is aware of the importance of school feeding for children’s nutrition, health and education, the COVID-19 crisis having prevented millions of children from having access to a healthy and nutritious meal a day. Investing in school feeding programmes can act as a powerful lever towards achieving a number of Sustainable Development Goals, fighting hunger and malnutrition, supporting local farmers and employment opportunities, children’s health and well-being, improving access to education and school retention for all children, especially girls. IFAD will focus on stepping up its support for local production chains enabling farmers to provide healthy and nutritious food for school meals produced locally”;</p> <p>In annex II containing the RMF, add an indicator 3.1.9 entitled “Projects designed to strengthen locally-produced school feeding programmes”.</p> <p>We also draw IFAD’s attention to the importance of full implementation of multilingualism, as a core value of the United Nations, during the 2025–2027 three-year replenishment period. To this end, the following is proposed:</p> <p>- In the draft report, add a paragraph 108(a): “The Fund will take resolute action to guarantee and</p>	<p>and amount of funding that can sustainably be allocated for grant financing to countries in or at high risk of debt distress.</p> <p>Of the 43 African countries that received financing in IFAD12, 12 required DSF grants. Currently this figure has increased to 15 and may increase further during IFAD13. The share of core resources for Africa and SSA is strongly related to the volume of DSF financing available in IFAD13, which itself is determined by the level of replenishment contributions. Changes in values in the PBAS formula variables may further affect regional PBAS outcomes.</p> <p>As such, while the minimum shares for Africa and SSA have been exceeded in IFAD12 it is prudent to maintain these minimum levels for IFAD13 to account for the above-mentioned factors, recognizing that they are minimums and not upper limits.</p> <p>The first reporting on the actual share of core resources to Africa and SSA will take place through the progress report to be presented to the Executive Board at the session to be held in December 2024, which will include the IFAD13 resources distribution.</p> <p>Regarding the G20 report on capital adequacy, clearer references to the G20 recommendations have been added to the report.</p> <p>Regarding the graduation policy, a reference has been added to the draft IFAD13 replenishment report, as well as a footnote making reference to the progress report on the implementation of the graduation policy that has been submitted to the Consultation. As agreed in the IFAD Graduation Policy (EB 2021/133/R.5) a progress</p>

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	<p>develop multilingualism. In this regard, it will draw on the best practices and standards of the United Nations system and other relevant international organizations. It will develop key performance indicators on multilingualism as part of the implementation of its Strategy on Diversity, Equity and Inclusion. It will include elements relating to the perception of respect for multilingualism in the Global Staff Survey (GSS). It will appoint a multilingualism coordinator from among its senior managers.”;</p> <ul style="list-style-type: none"> - In annex I containing the commitments and monitorable actions for IFAD13, add an action 25(a) worded as follows: “Develop a set of multilingualism indicators as part of the implementation of its Strategy on Diversity, Equity and Inclusion” with a completion date of “fourth quarter of 2024”; - In annex II containing the RMF indicators, add an indicator 3.6.4 entitled “Percentage of staff proficient in more than one of the Fund’s official languages”, established on the basis of the institutional databases and defined as follows: “Number of staff with advanced proficiency in more than one of the Fund’s official languages, at level III or above of the United Nations Language Framework”. 	<p>report has been submitted to the IFAD13 Consultation at its third session. A further update will also be submitted to the Executive Board for information at the December 2023 session, together with the annual report on the implementation of PBAS and BRAM, as was done in 2022 (EB 2022/137/R.3/Add.1/Rev.2). This is in line with the commitment to annual reporting to the Board as specified in the policy. This progress report on the implementation of the Graduation Policy is submitted to the Executive Board for information as part of the overall document on IFAD’s 2024 results-based programme of work, regular and capital budgets, and budget outlook for 2025–2026, but is not included in the subsequent budget document submitted to the Governing Council for approval as approval of the progress report is not required. Management recommends that the same approach be followed with regard to the replenishment report.</p> <p>As noted in the update on the graduation policy, for IFAD13 the 2024 Graduation Discussion Income (GDI) threshold, as defined by the World Bank, will be applied. Once the World Bank confirms the 2024 GDI in mid-2024, an updated list of countries that have surpassed the GDI threshold for three years consecutively will be compiled, and will be presented to the Executive Board in December 2024. Management will then engage with any new countries that have entered the list to initiate a structured dialogue to develop a new COSOP during the IFAD13 period.</p> <p>Regarding the indicator on time between project approval and first disbursement, the indicator was monitored in the RMF11 (2019-2021); however, in 2020 Member States agreed to remove it from</p>

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		<p>the IFAD12 RMF (2022-2024). The rationale for eliminating the indicator was the fact that the indicator was affected by country-specific factors that have nothing to do with IFAD's performance. Common causes of delay were the ratification processes required in some countries (for example in Latin America, which would be unfairly penalized by the indicator) or the delay in meeting the conditions to reach eligibility. Given the heavy influence of external factors and the fact that the indicator was already excluded from the IFAD12 RMF, Management suggests not to re-introduce the indicator in the IFAD13.</p> <p>On school feeding programmes, Management appreciates this suggestion and a new paragraph on school feeding has been included in section III.D of the replenishment report building on the proposal provided by France. It should be noted that IFAD is already supporting school feeding-related programmes in 19 countries and is also involved in field-level collaboration with FAO and the World Food Programme (WFP) in this area.</p> <p>As mentioned in the comment, school feeding is a powerful means to achieve results in food security and nutrition, as well as other multiplier impacts, and is therefore an activity included in IFAD projects and monitored at project level. However, IFAD does not track this activity at corporate level into its project budget allocation reporting tools. IFAD's RMF is intended to be a streamlined tool to measure key results rather than monitor activities. For this reason, the IFAD13 RMF includes indicators on food security and nutrition (which are expected to be consequences of IFAD's activities, including school</p>

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		<p>feeding) rather than listing all the activities that are necessary to achieve such results.</p> <p>Comments on the importance of the plant protein sector are also well noted. Interventions focused on legumes are already part of IFAD's work. Many IFAD investments focus on plant proteins by promoting leguminous crops due to their contribution to healthy diets as well as their agroecological qualities. IFAD and the European Union have also jointly supported CGIAR research on plant proteins.</p> <p>However, while plant-based protein is important, IFAD also acknowledges the crucial role of animal sourced foods as a means of obtaining protein and other nutrients that are commonly lacking in rural people's diets. This may be particularly important for pastoralists, women and in situations where keeping small livestock, for example, may be a more feasible livelihood option than production of plant proteins. Thus, IFAD will continue to support healthy diets that are rich in both animal and plant sourced foods, taking into consideration the specific local needs and resources available in different contexts.</p> <p>Regarding multilingualism, IFAD recognizes the United Nations commitment to linguistic diversity and notes the suggestion to include a multilingualism indicator in IFAD's diversity, equity and inclusion (DEI) framework. IFAD is committed to developing best practices in implementing its DEI strategy and a benchmarking exercise is ongoing with other United Nations organizations and IFIs to fine tune the performance indicators. IFAD's participation in the High-Level Committee on Management multidisciplinary working group of DEI,</p>

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		<p>composed of diversity experts, provides an opportunity for knowledge exchange. Currently, there are no examples of multilingualism indicators to draw from the benchmarks carried out so far, but IFAD will continue to engage on this topic. IFAD's commitment to multilingualism in the context of its workforce, stakeholders and beneficiaries continues to be demonstrated in the use of IFAD's official languages in all communication on its corporate website, social media channels and press releases. We also continue to encourage uptake of free language classes by staff.</p> <p>Unfortunately, the inclusion of the proposed RMF indicator and timeline is currently not feasible. IFAD's current policy and provisions relating to recruitment do not foresee the requirement of advanced proficiency in more than one official language of the Fund, unless determined for and required by a specific job profile. In addition, IFAD has not established the process and criteria for potential data collection, verification and update. Defining the indicator and the process, as well as collecting the data, would require additional resources and would not be feasible for the fourth quarter of 2024. As mentioned, no other United Nations entity or IFI has a multilingualism indicator.</p> <p>IFAD's results management framework is designed to monitor progress against the main priorities and directions of the IFAD13 replenishment. The RMF is a tool primarily used by IFIs to manage performance during the replenishment period. In addition, the IFAD13 RMF has committed to streamline the number of indicators as a key principle. This</p>

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		<p>indicator is not one included by any other IFI in their equivalent RMF.</p> <p>Finally, IFAD is a decentralized organization and as such have many national staff in its offices whose main language is a non-official language.</p>
Italy	<p>Firstly, we commend the management for the work done in preparing this first version of the IFAD 13 Report, an excellent basis for further discussions. We would like to:</p> <p>stress the need for a greater emphasis on local dimension of rural resilience, starting from the title of the report ("Building Local Rural Resilience for a Food-Secure Future"), being this aspect IFAD's overarching theme.</p> <p>see more ambition concerning the target for the African continent (55% and 50% of core resources for Africa and SSA respectively). We also wonder why, considering the result of 1:1.95 achieved in IFAD 11, in this replenishment the ambition on co-financing cannot go beyond 1:1.6 , and also ask to have a comparison with other vertical and multilateral Funds to better assess the level of ambition</p> <p>In terms of impact, we underline the need to specify the concrete deployment of ambition in relation to initiatives aimed at promoting young generations: reference to "youth-sensitive initiatives" seems to be quite generic and we would like to understand better what it implies and the concrete target for transformative and impactful projects on youth.</p> <p>As regards the new financial model of the Private Sector Financing Program (PSFP), we stress the importance to clarify how initiatives in riskiest contexts such as LICs and fragile countries will be financed if supplementary resources from donors will</p>	<p>Management thanks Italy for these comments.</p> <p>Management confirms that IFAD's focus is on local food systems and local dimensions of rural resilience, and has ensured that this is adequately referenced throughout the report.</p> <p>Regarding the share of core resources to Africa, this is an outcome of a number of factors, including the PBAS formula variables, and particularly the overall level of the replenishment and amount of funding that can sustainably be allocated for grant financing to countries in or at high risk of debt distress.</p> <p>Of the 43 African countries that received financing in IFAD12, 12 required DSF grants. Currently this figure has increased to 15 and may increase further during IFAD13. The share of core resources for Africa and SSA is strongly related to the volume of DSF financing available in IFAD13, which itself is determined by the level of replenishment contributions. Changes in values in the PBAS formula variables may further affect regional PBAS outcomes.</p> <p>As such, while the minimum shares for Africa and SSA have been exceeded in IFAD12, it is prudent to maintain these minimum levels for IFAD13 to account for these factors, recognizing that they are minimums and not upper limits.</p>

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	<p>not be available.</p> <p>Considering the recent geopolitical developments that have exacerbated instability, more clarity is needed on what IFAD can do in these countries, including with the private sector given the difficulty in engaging with national authorities.</p> <p>We strongly welcome the reference to the G20 CAF review, which was proudly launched under the Italian Presidency in 2021 and we see scope for closer and more careful look at its recommendations.</p> <p>We would like to see a stronger language on the UN Food Systems Summit +2 Stocktaking Moment, which took place last July, in Rome.</p> <p>We would like to see a reference to the implementation of graduation policy commitments under IFAD12.</p>	<p>The first reporting on the actual share of core resources to Africa and SSA will take place through the progress report to be presented to the Executive Board at the session to be held in December 2024, which will include the IFAD13 resources distribution.</p> <p>Regarding cofinancing, given the current economic environment and high levels of debt, Management believes that it will be challenging to secure increased levels of domestic cofinancing in IFAD13 and proposes to retain the current proposal to increase the target from 1:1.5 in IFAD12 to 1:1.6 in IFAD13, with the increase expected to be derived from increased international cofinancing. IFAD is already observing the initial impact of the current economic environment, as can be observed in the cofinancing ratio reported in the RIDE 2023 for 2020-2022, which stands at 1:1.63, compared to 1:1.95 in 2019-2021.</p> <p>With regard to the request for a comparison with other vertical and multilateral funds, most other vertical and multilateral funds do not set specific cofinancing targets – for example neither the International Development Association nor the African Development Fund, Asian Development Fund or Adaptation Fund have cofinancing targets determined in their replenishments, as far as IFAD Management is aware.</p> <p>The Green Climate Fund has a cofinancing policy but it explicitly states that while cofinancing is desirable, no minimum amount of cofinancing is required for a funded activity:</p>

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		<p data-bbox="1211 229 1984 288">https://www.greenclimate.fund/sites/default/files/document/policy-cofinancing.pdf</p> <p data-bbox="1211 331 1962 456">A notable exception is the Global Environment Facility, which sets a very high cofinancing target of 1:5 or 1:7 depending on the country context, but whose operating model is not directly comparable to IFAD:</p> <p data-bbox="1211 461 1984 520">https://www.thegef.org/sites/default/files/documents/GEF_FI_PL_01_Cofinancing_Policy_2018.pdf.</p> <p data-bbox="1211 544 1921 1059">Regarding youth, a footnote has been included in paragraph 65 explaining that IFAD's Rural Youth Action Plan (2019-2021) defines youth-sensitive projects as projects that (i) describe youth and their context-based challenges and opportunities in the project design analysis; (ii) inform a targeting strategy that explicitly targets youth with concrete objectives and activities to achieve impact in priority areas (see below), expressed as part of the project's theory of change, approach and results framework; and (iii) allocate resources to deliver activities targeting youth. In IFAD 12, this definition was further updated to require youth sensitive projects to embed a specific outcome indicator on employment: CI 2.2.1: Persons with new jobs/employment opportunities.</p> <p data-bbox="1211 1099 1906 1286">Management confirms that funding of NSOs in LICs, LMICs and fragile situations will <u>not</u> be reliant on mobilization of additional supplementary resources. NSOs in these country contexts can be delivered only with core and borrowed resources if needed. Indeed, there are three ways they could be funded:</p> <ul style="list-style-type: none"> <li data-bbox="1245 1294 1962 1355">i. IFAD's borrowed resources, to be blended, when relevant, with concessional resources (coming

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		<p>from the core grant resources of up to US\$18 million and/or supplementary funds if available);</p> <ul style="list-style-type: none"> ii. PSFP investments channeled through private sector entities located in non-fragile or high-risk locations that have subsidiaries in LICs and fragile situations while ringfencing the benefits of the funding to the country in high need. This approach has been followed by several MDBs to reconcile risk and impact; or iii. Supplementary resources channelled through the PSTF <p>Regarding IFAD's broader engagement in countries affected by fragility, annex IV on IFAD's updated approach to engagement in fragile situations provides further information on how IFAD approaches its engagement in such situations and the value added IFAD can bring when working with and alongside other partners to remain engaged and continue supporting rural communities, while focusing on IFAD's key entry points in such situations including strengthening local institutions, supporting food and nutrition security and fostering sustainable natural resource management.</p> <p>An additional reference to the G20 CAF review has been added in paragraph 115 noting that Management will reflect further on the G20 recommendations in preparing for the strategic discussions with the Executive Board about balance sheet optimization and potentially accessing other borrowing instruments.</p> <p>The paragraph focusing on the UNFSS and UNFSS+2 has been strengthened.</p>

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		<p>A reference to the graduation policy has been added to the draft IFAD13 replenishment report, as well as a footnote making reference to the progress report on the implementation of the graduation policy that was submitted to the Consultation. As agreed in the IFAD Graduation Policy (EB 2021/133/R.5), a progress report has been submitted to the IFAD13 Consultation at its third session confirming that implementation is ongoing. A further update on the implementation of the graduation policy will also be submitted to the Executive Board for information at the December 2023 session, together with the annual report on the implementation of PBAS and BRAM, as was done in 2022 (EB 2022/137/R.3/Add.1/Rev.2), in line with the commitment to annual reporting to the Executive Board as specified in the policy.</p>
<p>Switzerland</p>	<p>Please find hereunder Switzerland’s comments on the draft report of the consultation on the 13th Replenishment of IFAD’s resources:</p> <p>General</p> <ol style="list-style-type: none"> 1. We would like to thank IFAD for the quality of the report and congratulate the authors who have managed to integrate many of the previous comments and remarks done by the Member States 2. Switzerland welcomes as well the four focus areas of fragility, climate change and biodiversity, private sector engagement and the inclusive approach. All these aspects are crucial to contribute to the transformation of more sustainable, resilient and equitable food systems. 3. Prioritizing private sector engagement hand in hand with climate adaptation and delivering support to fragile contexts is ambitious. It aligns well with Switzerland’s strategic goals. 	<p>Management thanks Switzerland for these comments.</p> <p>Regarding point 6 on fragility, Management has sought to include sufficient information for the purposes of the final report of the replenishment consultation. Further information is also available in other documents such as the paper on fragility presented to the Executive Board for the strategic discussion on fragility in May 2023 (EB 2023/138/R.2) and Management is also available to discuss bilaterally. As indicated in the report, part of the work of the new fragility unit will be to review and update IFAD’s more detailed guidelines relating to these activities.</p> <p>Regarding point 7 on private sector partners, in line with IFAD’s mandate to focus on smaller scale local development in more remote rural areas, a significant focus of IFAD’s private sector engagement has always been on local private sector and micro, small and medium rural enterprises, while engaging with larger</p>

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	<p>4. We welcome the clear outline of measures taken by IFAD to further strengthen its organizational effectiveness and efficiency, including structure, culture and capacity.</p> <p>We are presenting hereunder comments and questions following the priority areas</p> <p>1 - Enhanced focus on fragile contexts</p> <p>5. Switzerland welcomes IFAD's strategy and willingness to engage in fragile contexts as well as the principles presented in Annex IV. These principles are very much aligned with the ones followed by Switzerland in particular in staying engaged and do-no-harm, among others.</p> <p>6. As stated in the text, IFAD is not a humanitarian agency, however the report is not very clear on how can IFAD operate in fragile contexts, how it can coordinate or delegate to other UN agencies, including the RBAs and how a support mainly implemented through sovereign operations can be continued when the government for instance is not anymore in place. The principles and the rationale are clear, however the "how" is more difficult to understand.</p> <p>7. Concerning the private sector engagement in fragile contexts, we understand it relies mainly to the local private sector, SMEs and farmers' organizations and not on international firms or investors who will probably be reluctant in engaging in risky contexts.</p> <p>8. The consideration of fragility/conflict is not mentioned in the climate chapter. Given its long-standing experience and commitment to reach people in such contexts, we encourage IFAD to bring others along (notably climate funds...) that have not yet advanced much on conflict-sensitivity and access.</p> <p>2 - Investing in biodiversity and climate resilience of small-scale producers</p> <p>9. Switzerland welcomes the strong call to link</p>	<p>international firms where appropriate and subject to appropriate due diligence procedures. However, IFAD is increasingly recognized as a valuable partner for international firms and investors. IFAD has positive examples of collaboration that have benefited its main target groups, and expects to continue developing such partnerships in future, in accordance with relevant policies, guidelines and procedures.</p> <p>Regarding point 8 on partnering in fragile situations, Management appreciates this suggestion. IFAD has already been able to mobilize funding from several climate funds, mainly the Adaptation Fund, Global Environmental Facility and Green Climate Fund, for projects in fragile and conflict affected situations. These funds rely on their accredited entities, such as IFAD, to deliver climate-related investments in fragile and conflict affected situations. IFAD has the potential to play a greater role in encouraging these climate funds to become more aware of the strong linkages between climate change, adaptive capacity and resilience, and fragility, as well as linkages to reducing biodiversity loss, and enhancing food security in areas of conflict and fragility. IFAD can also collaborate with these funds and other accredited agencies to share best practices for engaging in these situations, and guidance on risk assessment, fragility analysis and project design tailored to these environments. This will be further discussed with these funds during the process of developing IFAD's new climate, environment and biodiversity strategy.</p> <p>Regarding point 9 on early warning systems, Management appreciates this strong support for IFAD's work on early warning systems and disaster risk reduction in rural areas and in relation to IFAD's specific mandate. IFAD is investing in strengthening climate</p>

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	<p>biodiversity and climate resilience and to adopt a more systemic approach that is very much required to ensure greater impact and co-benefits. The ambitious scope proposed in the report including climate resilience, biodiversity conservation, ecosystem restoration and disaster risk reduction will require further coordination and collaboration with other development actors active in these related fields, in particular the RBAs. Early warning is a fundamental but also particularly crowded action point. CREWS, SOFF and the UNSG's "early warning for all" endeavor to bring coherence. It is key IFAD links up with these coordinated efforts, not reinventing wheels.</p> <p>10. We welcome the mention of increasement investments of climate-resilient agriculture, including soil conservation, water management as well as agroecological and other innovative approaches. For Switzerland, agroecology is considered as one of the most promising approaches to transform food systems towards more sustainability and equity. It includes more dimensions than a resource efficient production and can tackle inequalities and power imbalances.</p> <p>11. Climate change adaptation is IFAD added value in the MDBs space as presented in the report. However, the report does not specify much what IFAD will do on reducing greenhouse gas emissions, e.g. in terms of land management or livestock. We look forward to more detail in the forthcoming "strategy on IFAD's work on climate, environment and biodiversity".</p> <p>12. Most MDBs are by now already Paris aligned or have at least committed to a cutoff date for doing so. We welcome IFAD's forthcoming roadmap in this regard and count on IFAD being aligned as soon as possible.</p> <p>13. There is an increasing scene at country levels with an ever-increasing set of providers (climate funds,</p>	<p>information and early warning services (CIEWS) through observation networks, dissemination channels for CIEWS and training of beneficiaries. Globally, IFAD aims to increase its CIEWS portfolio over the coming years. IFAD is ensuring alignment with existing initiatives, including the Early Warnings for All Initiative (EW4All). IFAD has also joined (as an implementing entity) the Systematic Observations Facility (SOFF). This engagement will ensure that investments as part of the EW4All will be complimented by IFAD financing, with IFAD investments focusing on last mile delivery of CIEWS.</p> <p>Regarding point 11 on GHG emissions, Management would like to highlight that an analysis has already been done to establish the GHG emissions from IFAD's portfolio and has confirmed that IFAD is a net sink in this regard. Management also confirms that IFAD does have ambition in the climate mitigation space and will continue to seek mitigation co-benefits to its climate change adaptation actions, and aims to systematically assess emissions of all projects to ensure that appropriate offsets are programmed.</p> <p>Regarding point 12 on Paris alignment, this comment is well noted. Further details on the Paris alignment roadmap are provided above in response to other comments in this document.</p> <p>Regarding point 13 on coordination, IFAD is actively enhancing its role in global climate policy reform by strategically aligning its projects with countries' specific needs and national climate goals. It focuses on a unified and strategic approach to climate finance, ensuring that projects are not only relevant but also sustainable and resilient. IFAD engages only where it can offer a distinct</p>

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	<p>MDBs, UN, bilateral agencies). It is important country-led efforts are supported in a coordinated fashion. This does not only include project implementation but also climate governance at country level.</p> <p>14. M&E: the indicators for climate look fine and the upcoming strategy will surely further expand. We encourage IFAD to liaise with other providers (climate funds, etc.) to make sure there is measurement alignment to the extent reasonable and feasible.</p> <p>15. Finally, we welcome IFAD's ambition to leverage private investors for climate. This is notoriously difficult for many investments in adaptation (although given return/risk structures perhaps easier for agriculture than other adaptation areas) and particularly so in most disadvantaged/fragile contexts. We are confident IFAD's increased private mobilization focus will not translate into these contexts being neglected. We look forward to experiences in this regard.</p> <p>3 - Increasing engagement with the private sector</p> <p>16. As mentioned in previous occasions, Switzerland supports the updated Private Sector Engagement strategy of IFAD within IFAD13. We welcome the details provided by the new Annex III. In this same annex, the figures 1 and 2 seem to give a different information concerning the blended finance mechanisms. In figure 1, blending appears to be the overall approach of the PSFP (in line with the principles of catalysing and assembling). We're confused with figure 2 that apparently shows that blending would only apply to specific situations. In figure 2, we don't understand the meaning of direct flows and would welcome a clarification on that.</p> <p>17. We appreciate the internal capacity building that has taken place and support the continuation of it. We commend IFAD's "risk-taking" in considering USD 108</p>	<p>advantage, fostering meaningful partnerships and policy coherence. Moving forward, IFAD is committed to strengthening collaboration with national entities, enhancing coordination with United Nations agencies and MDBs, actively participating in country-level climate dialogues, and aligning with United Nations frameworks to prevent duplicative efforts. Additionally, IFAD will support the creation and reform of policy frameworks and explore innovative financing mechanisms, all while thoroughly embedding climate and biodiversity considerations into agricultural and development strategies.</p> <p>Regarding point 16 on the PSFP, in line with the principles of catalysing and assembling, blending will be part of the overall approach of the PSFP. The term "direct flows" means non-blended resources. The outflows will be: (i) direct flows to UMICs using borrowed resources (without blending with core or supplementary funds); (ii) blended flows to LMICs, LICs and countries affected by fragile situations (blending of borrowed with either core or supplementary funds); and (iii) direct flows to mainly LICs and countries affected by fragile situations using exclusively off-balance sheet Private Sector Trust Fund (PSTF) resources (without blending with balance sheet).</p> <p>Regarding point 17 on the PSFP targets, the current mobilization in the PSTF is not included in this figure, so this is additional to what has already been achieved. The US\$540 million is a combined figure including the US\$90 million of borrowed resources, and the cofinancing that these are expected to generate at a ratio of 1:5 (i.e.</p>

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	<p>M for PSFP in its balance sheet. However, this remains modest at this stage and we hope that it will enable us to continue to develop relevant experiences/lessons for a stronger ambition in the future. We welcome the target of 540 M to be mobilized from the private sector and would like to understand whether the current mobilization happening in the PSFP (140 M expected) is included in this figure.</p> <p>4 - Ensuring inclusivity to leave no one behind</p> <p>18. We welcome the specific target setting for the crosscutting themes gender, youth, and nutrition.</p> <p>19. Concerning nutrition, we note the efforts to mainstream nutrition sensitive approaches across IFAD's portfolio and activities. We highly welcome and support this food systems approach and therefore recommend using systematically the terminology "food security and nutrition" to better reflect the efforts – not only throughout this document, but generally in IFAD's communication.</p> <p>20. We praise IFAD for being one of the only institutions integrating nutrition sensitive targets within their portfolio. Nevertheless, we encourage IFAD to be more ambitious, as we are convinced it is a very effective and efficient way to improve livelihoods. We would therefore like to see a 10% higher target of nutrition sensitive projects among the newly established projects compared to IFAD 12, thus rise from 60 to 70%. (para 61)</p> <p>21. Switzerland regrets and would like to understand the reflections for the decreased target of people with improved nutrition – being 11 Mio in IFAD12, reduced to 5 Mio in IFAD13.</p> <p>22. We are convinced that well designed interventions are improving both food insecurity and malnutrition simultaneously. Therefore, we would like to see the</p>	<p>US\$90 million of borrowed resources plus US\$450 million cofinancing).</p> <p>Point 19 on food security and nutrition terminology is well noted. Food security and nutrition terminology has been applied in the document as relevant (taking care to be clear on the distinction between the different indicators that IFAD uses to measure food security and nutrition separately).</p> <p>Regarding points 20 and 21 on the targets for nutrition, in IFAD 13 Management proposes to maintain the 60 per cent target and continue to focus on supporting implementation of the growing portfolio of ongoing nutrition-sensitive projects. This is part of the broader strategy to maintain the IFAD12 targets for most mainstreaming themes in order to avoid driving greater project complexity, or becoming overly supply driven, leaving space for IFAD and governments to tailor individual projects to local needs and contexts while working to achieve results and impacts targets at overall portfolio level. As improved results and impact from IFAD operations become clear, this is expected to generate increased demand from governments as well as lessons learned for improving nutrition in different contexts. Continued efforts to raise awareness on the importance of nutrition-sensitive investment is necessary to create demand in countries and this is also being pursued as part of the continued implementation of the IFAD11 commitment to ensure 100 per cent of COSOPs integrate nutrition.</p> <p>IFAD impact assessments measure the impact of its projects on indicators related to the Fund's strategic</p>

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	<p>targets for people with improved nutrition (5 Mio) more closely aligned with the target for food secure people (78 Mio) in order to achieve SDG 2 (End hunger, achieve food security and improved nutrition and promote sustainable agriculture).</p> <p>23. Switzerland encourages IFAD to use the OECD DAC Nutrition Policy Marker to better monitor and quantify progress with nutrition outcomes as well as to have an additional tool to identify which interventions contribute to better diets and nutrition. (para 61)</p> <p>24. IFAD is further encouraged to learn from impact assessments and other partners active on nutrition and healthy diets on the most effective approaches and continuously adapt its interventions accordingly. (para 61)</p> <p>25. Switzerland welcomes the focus on leveraging climate financing to facilitate access to healthy diets and strengthen communities' resilience. (para 39)</p> <p>26. As the impact assessment showed, continued attention to nutrition will be key (para 61) and we therefore propose spelling out in the Matrix of Commitment and Monitorable Action that 100% of all new COSOP's will continue to be nutrition sensitive.</p> <p>27. The consolidated strategy on climate, environment and biodiversity to be presented to the Board shall equally use the opportunity of being nutrition sensitive and thus maximize the potential of synergies in achieving SDG 2, 12, 13, and 15.</p> <p>5- Financial architecture</p> <p>28. We welcome IFAD's efforts to strengthen its financial framework. We particularly appreciate IFAD's continued efforts to prudently leverage its capital, while preserving its financial sustainability. We agree that donor grants should remain the backbone of IFAD's financial architecture to provide concessional</p>	<p>objectives and mainstreaming themes at the closure of IFAD-financed projects. Results from the IFAD11 impact assessment presented to the Executive Board at the 136th session showed that projects that closed during the IFAD11 period led to an improvement in nutrition for 0.6 million people. The projects included in the IFAD11 impact assessments lasted an average of eight years, thus they were designed before nutrition was systematically included as a mainstreaming theme. This report showed that while food security was improved, achieving necessary behavioural changes to improve nutrition is time consuming and challenging without a dedicated theory of change. This does not mean that investing in IFAD projects does not deliver nutritional outcomes, but that their impacts are more likely to be realized when nutrition is embedded at the design stage. Projects closing in IFAD13 are expected to have been designed during IFAD10 or IFAD11 before nutrition was fully mainstreamed. Due to these reasons, the target on improved nutrition was revised downwards to 5 million people.</p> <p>Regarding point 22 on malnutrition, Management would like to clarify that the target of 5 million people with improved nutrition does not relate directly to impact on malnutrition. The indicator used by IFAD to measure the impact on nutrition is the HDDS developed by the FAO. The HDDS is a qualitative measure of food consumption that reflects household access to a variety of foods.</p> <p>Regarding point 23 on the Organization for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) nutrition policy marker, IFAD acknowledges the recommendation and will further examine the use of OECD DAC nutrition policy markers by other</p>

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	<p>resources to eligible countries.</p> <p>29. We support the continued use of private placements. We encourage IFAD to consider public issuances and build a track record as an ESG compliant, specialized issuer in capital markets, while taking into account costs and benefits of public issuances compared to private placements.</p> <p>30. We encourage IFAD to explore if and under which conditions it could offer local currency financing to borrowing countries and look forward to a detailed assessment of costs and benefits.</p> <p>6- Partnerships and coordination</p> <p>31. We ask IFAD to deepen partnerships and coordination with other development actors, including by formulating the necessary staff and institutional incentives.</p> <p>32. We expect IFAD to contribute to promote harmonization of operational processes, policies and standards across the multilateral system to reduce administrative burden on clients, facilitate co-financing and ensure a level playing field between institutions.</p> <p>33. We also expect IFAD to deepen collaboration on joint analytics and diagnostics and systematically engage in country platforms and other coordination mechanisms.</p> <p>34. We suggest a dedicated commitment in the Matrix of Commitments on presenting a forward-looking analysis on how IFAD will work systematically with other partners at the strategic, financial and operational level.</p> <p>7- Environmental and social safeguards</p> <p>35. We regret the absence of any discussion on environmental and social safeguards. Compliance with governance, environmental and social (ESG) safeguards and their continued improvement is an</p>	<p>partners, in addition to other relevant tools to identify interventions contributing to better diets to be used as relevant alongside existing internal manuals and guidance.</p> <p>Regarding point 26 on nutrition sensitive COSOPs, a commitment to ensure 100 per cent of COSOPs integrate nutrition was already included as an IFAD11 commitment and it continues to be implemented and tracked in IFAD12 and IFAD13. The IFAD13 Commitment Matrix also already includes another specific commitment on food systems, as follows: "Ensure that 100 per cent of new COSOPs are aligned to nationally adopted food system transformation pathways where these exist". This covers a broad spectrum of aspects, including nutrition.</p> <p>Regarding point 29 on private placements and public issuances, IFAD Management appreciates this supportive comment and has updated the text of the report in relation to this issue in response to this and other related comments.</p> <p>Regarding point 30 on local currency financing, as part of its ongoing efforts to support borrowing countries IFAD continues to explore new financing innovations to address current global development challenges. This could involve a combination of increased replenishment contributions and financial structures already tested at other IFIs/MDBs. Following the experience of some MDBs, Management is considering potential new and innovative approaches for mobilizing funding and onlending, such as leveraging equity by rechanneling special drawing rights, or crowding in resources from non-traditional contributors to de-risk IFAD transactions and increase their concessionality. Management is also exploring the possibility of setting up a guarantee</p>

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	<p>important priority for us. We see merit for a description in the Deputies Report of the measures IFAD will take to ensure the highest ESG standards.</p>	<p>scheme as part of its sovereign portfolio, which would release more deployable capital. The opportunity to provide financing in local currency will also be explored. This can be included as part of the strategic discussions with the Executive Board during the remainder of IFAD12 and in IFAD13.</p> <p>Point 31 regarding partnerships is well noted. An important part of IFAD's Partnership Framework (EB 2019/127/R.4) is providing improved corporate support and incentives to staff for partnering and creating a partnering culture across the institution and its major business process. The Human Resources Division (HRD) is tasked to ensure that partnerships skills are part of staff performance appraisal and recruitment.</p> <p>Regarding point 32 on harmonization across the multilateral system, IFAD is a member of various relevant MDB working groups through which we harmonize processes to the extent possible. IFAD is also fully engaged in the United Nations reforms, business operations strategy (BOS) and United Nations country teams (UNCT) through which we engage in reducing administrative burdens. For example, the World Bank and IFAD have recently entered into a mutual reliance agreement in project procurement, such that in cofinanced projects each party can delegate procurement-related tasks to the party designated as the lead cofinancier, guaranteeing that both parties' fiduciary requirements are upheld in cofunded projects while the lead financier carries out the daily procurement activities on behalf of the financiers.</p> <p>Regarding points 33 and 35 on joint analytics and partnering, enabling this kind of collaboration at</p>

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		<p>country level has been an important objective of IFAD's decentralization over recent years, enabling IFAD to be more active and engaged in country level platforms and other coordination mechanisms with governments, other United Nations entities, IFIs and other partners. As an example, IFAD continues to embrace joint programming mechanisms at the country level and ensure constructive, collaborative Rome-based agencies (RBA) engagement with these mechanisms. This includes, for example, jointly preparing to engage in United Nations Sustainable Development Cooperation Framework (UNSDCF) planning processes, jointly contributing to common country assessment (CCA) and UNSDCF preparation and harmonizing, where appropriate and feasible, their respective country multiannual plans with the UNSDCF and, where appropriate and feasible, jointly participating in UNSDCF implementation under the leadership of the United Nations Resident Coordinator.</p> <p>IFAD is also an active implementing partner of the 50x2030 Initiative, in collaboration with FAO and the World Bank group as well as partner governments and development actors. The 50x2030 Initiative focuses on improving country data by developing a fit-for-purpose, integrated and financially sustainable agricultural and rural survey programme that fosters a culture of data use for decision-making to support agricultural sustainability and rural development, address food crises and mitigate the impacts of climate change.</p> <p>Management agrees that strategic forward-looking analysis on how IFAD will work systematically with other partners at the strategic, financial and</p>

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		<p>operational level is important. However, rather than adding this as a specific commitment, it is expected that this will be undertaken as part of the development of IFAD's updated Strategic Framework to be presented to the Executive Board in 2025 (which is already an existing commitment), and through the regular strategic discussions with the Board.</p> <p>Regarding point 35 on environmental and social safeguards, the IFAD13 report refers to continued efforts to enhance attention to safeguards (which at IFAD are addressed through SECAP, coupled with the inclusion of a proposed new RMF indicator (3.1.8) that sets a target for 100 percent of new projects being rated 4 or above on compliance with IFAD's safeguard requirements and procedures.</p> <p>IFAD's SECAP promotes social, environmental and climate sustainability by providing guiding principles to avoid, minimize, reduce or mitigate the adverse impacts of IFAD-supported projects. The procedures identify project-specific social, environmental and climate risks and development opportunities while ensuring appropriate preventive actions and/or mitigation measures are incorporated into project design and implementation. In doing so, SECAP integrates IFAD's mainstreaming priorities into new IFAD-supported investments and links social, environmental and climate safeguard considerations to procurement to ensure risk management at the operational level.</p> <p>IFAD's Enhanced Complaint Procedure ensures the possibility of early identification of grievances and provides a corporate level grievance redress mechanism. SECAP standard 8 on financial intermediaries and direct</p>

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		<p>investments provides guidance on environmental, social and governance (ESG) safeguards requirements applicable to its non-sovereign operations.</p> <p>Other comments not specifically responded to are all well noted.</p>
<p>Japan</p>	<p>Japan would like to thank Management for this first draft report which has incorporated the comments by Member States during the previous consultations. [size of PoW and replenishment]</p> <p>While the first draft report calls for US\$2 billion in new replenishment financing in IFAD 13 as described in paragraph 2 and paragraph 15 of the Executive Summary, the draft report lacks sufficient explanation and reasons why US\$10 billion of PoW and US\$2 billion of new replenishment are required to increase the income of 100 million people in the rural area. [resource mobilization]</p> <p>Even if at least US\$10 billion of PoW is required to achieve the target of income increase, there should be further efforts to assemble any available funds in order to ensure the necessary amount for achieving the target, including the increase of co-financing ratio from IFIs and others, instead of primarily focusing on the new replenishment. [private sector engagement]</p> <p>The first draft report emphasizes the importance of the increasing engagement with the private sector. As Japan also considers the further engagement by the private sector is important, we request IFAD to take any actions to attract more engagement of the private sector, including the project design which enables the private sector to deliver its technical expertise to the rural area.</p>	<p>Management thanks Japan for these comments.</p> <p>With regard to the link between financial scenarios and impact, the impact on income of the strategic objectives of the IFAD13 programme of work (PoW) and financial scenarios relies on projections based on IFAD11 impact assessment results and assumptions to account for the global crisis context that IFAD operates in. IFAD11 impact assessment results were presented to the 136th session of the Executive Board and show that projects that closed during the IFAD11 period collectively increased the incomes of about 77 million beneficiaries. The total value of projects that closed during the IFAD11 period stood at US\$7.1 billion, implying that about 11 million beneficiaries observed an increase in their income per US\$1 billion of investment.</p> <p>Regarding the suggestion to focus more on cofinancing, Management wishes to emphasize that replenishment financing is the foundation of IFAD's financial structure and is crucial to support grants and highly concessional loans to the poorest countries, as well as to grow IFAD's capital base to allow additional borrowing and leverage for more efficient utilization of Member States' official development assistance resources. As such, cofinancing cannot be considered a substitute for replenishment resources. Indeed a strong replenishment is a requirement to support the PoLG that enables IFAD to then mobilize cofinancing.</p>

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		<p>Given the current economic environment and high levels of debt, Management believes it will be challenging to secure increased levels of domestic cofinancing in IFAD13 and proposes to retain the current proposal to increase the target from 1:1.5 in IFAD12 to 1:1.6 in IFAD13, with the increase expected to be derived from increased international cofinancing. The initial impact of the current economic environment can already be observed in the cofinancing ratio reported in the RIDE 2023 (for 2020–2022), which stands at 1:1.63, compared to 1:1.95 in 2019–2021.</p> <p>Regarding the point on private sector engagement, Management confirms that IFAD13 will give high priority to strengthening engagement with the private sector across its portfolio, including through SSTC to enhance sharing of knowledge from private sector entities.</p>
China	<p>China appreciates the efforts made by Management in preparing the draft report of the Consultation on the Thirteenth Replenishment of IFAD's Resources. China reaffirms that the replenishment is the main channel for IFAD's resources, and achieving an ambitious replenishment scenario is of great significance for IFAD to promote the transformation of the global food systems and to effectively make its impact in the areas of rural poverty alleviation and agricultural development. Therefore, China calls on all Members to work together to ensure the success of IFAD13 replenishment.</p> <p>China notes that this draft report puts fragility at the top of IFAD13's priority areas and increases the proportion of resources allocated to fragile situations. This commitment is fully in line with IFAD's mandate</p>	<p>Management thanks China for these comments. Management appreciates China's reaffirmation that the replenishment is the main channel for IFAD's resources, and its recognition of the importance of achieving an ambitious replenishment.</p> <p>Management also appreciates the comments in support of the IFAD13 priorities, including biodiversity. In response to this and other comments, additional references to the Kunming Declaration agreed at the United Nations Biodiversity Conference hosted by the Government of the People's Republic of China in 2021, have been included in the report.</p> <p>Regarding ACCs, based on China's feedback, as well as feedback from other Member States, the ACC proposal</p>

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	<p>and new mission to lead the agenda for food systems transformation. China is delighted to see that IFAD is actively aligning itself with international standards in enhancing climate resilience and biodiversity. With regard to institutional reforms, we welcome IFAD's continued efforts for decentralization and strengthening organizational effectiveness and efficiency. We also believe the revised financial scenarios are more practical and provide a solid basis for more pragmatic discussions.</p> <p>Regarding the additional climate contributions (ACCs), China underlines that the core contributions are the backbone of IFAD's financial resources. In order to maintain the stability of core contributions, IFAD should refine the design of ACCs, including conditions of contributions and ratio of voting rights, etc., so as to avoid substitution risk on the core contributions, and better fulfill its mandate of serving developing countries.</p> <p>China commends IFAD's continued enrichment of the financing toolbox, while hopes that action will be taken as soon as possible to make substantial progress in market borrowing. As we all know, IFAD's strategic discussions on market borrowing could be traced back to ten years ago, and the positive role of market borrowing has been widely recognized. In terms of institutional capacity, China believes that IFAD already has the qualification to issue public bonds. For IFAD to play a greater role, there is an urgent need to address its resource bottleneck. China calls on IFAD's action to launch or pilot market borrowing during IFAD13. At the same time, the approval process should be simplified, and the authority to the approval of market borrowing should be delegated to the Executive Board, rather than Governing Council.</p>	<p>has been updated, including the proposals regarding voting rights and conditions for contributions in order to minimize substitution risk and ensure that core contributions remain the backbone of IFAD's financial resources, while also making use of ACCs as an additional tool to increase climate finance for smallholder farmers. The updated ACC proposals are included in annex VII.</p> <p>Regarding borrowing, Management thanks China for its continuous support on the opportunities to expand IFAD's borrowing instrument and toolkit. During the remainder of IFAD12 and in IFAD13, Management will continue the strategic discussions with the Executive Board about potentially accessing other borrowing instruments, in line with resolution 223/XLIV, building on lessons learned and experience gained with private placements. In doing so, Management will provide the Executive Board with a detailed assessment of costs and benefits drawing on the lessons learned from current borrowing experience, and a proposal for borrowing instruments that can benefit IFAD's operations by reducing funding risk and increasing the predictability of resource mobilization. Within this review, Management will reflect further on the G20 recommendations to MDBs to explore means of balance sheet optimization to boost their lending capacities to those most in need and for climate, while preserving financial sustainability.</p> <p>With regard to SSTC: this mechanism aligns partnership, knowledge and policy engagement activities, while promoting inclusive and sustainable food systems transformation, especially in relation to climate, gender, nutrition and youth. The draft IFAD13 Results Management Framework already includes indicator 3.3.4, which measures SSTC</p>

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	<p>Furthermore, China appreciates the increased importance attached to SSTC in the draft report, including its role as a tool in IFAD's country programmes to address the priority areas of IFAD13, especially fragility challenges. We welcome IFAD's focus on monitoring and evaluating SSTC activities across IFAD's PoLG and IFAD's commitment to raise the overall quality of SSTC in COSOPs to 100% under RMF13. But at the same time, since the current indicators are proposed from the perspective of project design, the monitoring of SSTC effectiveness should be evaluated from the perspective of beneficiaries. In this regard, China encourages Management to further expand RMF indicators and increase quantitative evaluation and data support for SSTC activities. We urge IFAD to include an indicator of "persons receiving support directly from the SSTC initiatives" in RMF to make monitoring and evaluation more practical.</p> <p>China thanks IFAD again and looks forward to a successful IFAD13 replenishment.</p>	<p>quality in COSOPs, as these are the key instruments that shape IFAD's and the country's strategic priority areas and objectives. In addition, the IFAD13 commitment matrix includes a proposed commitment that at least 25 projects include new SSTC initiatives during IFAD13. This commitment will be delivered building on the SSTC opportunities identified in COSOPs. These will be complemented by the activities planned under the IFAD SSTC Strategy 2022-2027 and its associated results measurement framework in order to ensure a high level of coverage of IFAD's SSTC activities. On this basis, and in line with the proposal to limit the overall number of indicators included in the RMF, it is proposed not to include further SSTC indicators in the IFAD13 RMF.</p> <p>In addition, given the strategic relevance of SSTC to amplifying the development impact of a wide range of IFAD-financed activities, and its close links with IFAD's programme of work on the ground, it would be challenging to distinguish the beneficiaries of SSTC from other beneficiaries, and the indicator would not capture the full significance and leverage effect of SSTC activities, particularly in relation to policy engagement, capacity-building, and knowledge exchange.</p>
Sweden	<p>Sweden would like to thank IFAD for the draft report. Sweden welcomes the general direction and increased ambition on thematic priorities. Sweden supports increasing the share of climate finance in the PoLG from 40 % to at least 45 %.</p> <p>Moreover, Sweden:</p> <ul style="list-style-type: none"> - welcomes the focus on increased private sector engagement through the development of the 	<p>Management thanks Sweden for these comments.</p> <p>Regarding cofinancing, given the current economic environment and high levels of debt, Management believes that it will be challenging to secure increased levels of domestic cofinancing in IFAD13 and proposes to retain the current proposal to increase the target from 1:1.5 in IFAD12 to 1:1.6 in</p>

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	<p>new Private Sector Financing Programme funding model.</p> <ul style="list-style-type: none"> - is in favour of further increasing the ambition on mobilization of co-financing resources. - welcomes the inclusion of and strengthened focus on compliance with Social, Environmental and Climate Assessment Procedures (SECAP). - regarding ACC, reiterates our support for option 2, i.e. 50 votes per USD 158 million of contributions. There should be a clear distinction between non-earmarked core contributions in replenishments and other modalities. 	<p>IFAD13, with the increase expected to be derived from increased international cofinancing. The initial impact of the current economic environment can already be observed in the cofinancing ratio reported in the RIDE 2023 (for 2020-2022), which stands at 1:1.63, compared to 1:1.95 in 2019–2021.</p> <p>Regarding ACCs, in the updated version of the ACC note (annex VII), option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights), as this appears to be the consensus option.</p>
<p>United Kingdom</p>	<p>The UK would like thank IFAD for the draft report and would like to share the following comments. We look forward to following up and to further discussion.</p> <p>Building Resilient Rural Livelihoods and Food Systems The report seems to limit itself in the way that it frames resilience, with a focus on ‘coping’. This could be strengthened significantly through a broader focus (including socio-ecological resilience systems, especially relevant for the most marginalised smallholders, which IFAD is targeting). There is a rich body of research on this, but socio-ecological resilience reflects the capacity of a system to absorb, respond, adapt to, and continue to function in the face of disturbance and where the system has ‘the capacity to adapt or transform in the face of change’. There is opportunity to strengthen the transformational element in the IFAD report, i.e. focus on building progress/learning and developing from shocks, rather than simply ‘coping’ with them. Resilience can be transformational.</p> <p>We support the increased focus on climate reflected in the share of climate finance going from 40% to 45%.</p>	<p>Management thanks the United Kingdom for these comments.</p> <p>IFAD, in line with the United Nations, defines resilience as the ability of a system, community or society exposed to hazards (climate change, fragility, conflict, etc.) to resist, absorb, accommodate to and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions. IFAD helps vulnerable communities to effectively manage various risks, ensuring that they can recover while maintaining stable development and well-being without harming their future prospects. This concept is crucial for achieving the Sustainable Development Goals, minimizing climate change impacts, and preserving development gains during crises. Thus, IFAD invests in strengthening resilient rural livelihoods and food systems through such means as sustainable agriculture and improved nutrition, ensuring stable and prosperous futures for these communities.</p>

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	<p>Increasing Investment with the Private Sector The report suggests that IFAD should pursue high ambition work and engagement with the private sector to create an enabling environment, outlining three main areas for IFAD to enhance its work. However, it would be good to see a clearer explanation of the value-add that IFAD brings (and to set out IFAD experience and results so far), clarifying IFAD's role and comparative advantage, including around assembling finance in this area.</p> <p>Inclusivity to Leave No one Behind Good to see explicit mention of women, youth, people with disabilities and indigenous people. It would be good to see clearer recognition of intersectionality (aside from that of gender and nutrition), where an individual may fall under more than one category of vulnerability.</p> <p>If interventions are to effectively engage the most vulnerable and be truly impactful and scalable, then the heterogeneity of farmers (i.e. not just limited to their gender, but the social/power dynamics, intersectional vulnerabilities and the opportunities available to them), and appreciating how these shape their ability to engage with and obtain benefit (and for interventions to not be maladaptive), need to be meaningfully engaged with rather than risking a vulnerability category inclusion focus. Intervention should be conceived with a strong appreciation of context from the outset, to support engagement with the most vulnerable from the outset. It is fine to have monitorable actions that focus on including a specific group of people e.g. 1.1.6 "Ensure that at least five new projects include persons with disabilities as a priority target group". But, at the implementation level, we would hope to see that these are accompanied by consideration for additional support</p>	<p>With regard to the PSFP, the section on comparative advantage in annex III aims to provide this information. However, should further information be required, this can also be provided bilaterally.</p> <p>With regard to inclusivity, this is well noted and IFAD Management agrees as the concept of intersectionality is incorporated into IFAD's Poverty Targeting Policy (EB 2023/138/R.3) and IFAD's Disability Inclusion Strategy 2022 – 2027 (EB 2022/137/R.7). The definition of IFAD's target group in the approved revised IFAD Poverty Targeting Policy is anchored in the concept of intersectionality, which relates to the intersection of multiple drivers of poverty: gender, age, disabilities, ethnicity, remoteness, environmental degradation, etc. The language in the relevant paragraph has been enhanced to recognize this while taking into account the comments of other Member States regarding this terminology.</p> <p>In addition, the narrative on disability has been revised to highlight the plan to mainstream consideration for persons with disabilities in all funded operations as per IFAD's Disability Inclusion Strategy.</p> <p>The language on gender in the referenced paragraphs has also been updated in accordance with the proposals and where appropriate throughout the document, and in line with IFAD's gender action plan, the terminology has been adjusted to include "women and girls".</p>

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	<p>to sustain participation in programme activities. Without this, and adaptive ways of working, programmes risk further excluding and marginalising (maladaptation) their intended target beneficiaries. [For example, Smith et al (2021) highlight how vulnerable farmers with limited resources and capacity (i.e. the elderly, women, and the resource-poor) struggle to engage with programme activities or promote agri-practices (e.g. attend training sessions or invest in farm inputs). The study notes how limited resources available to support these farmers (such as through financial compensation for their time) and inflexible participation rules led to their unintentional exclusion.]</p> <p>Gender</p> <p>We would like to avoid framing gender issues as just 'equality between men and women' (eg para 60 mentions 'unequal distribution between men and women') because it risks erasing broader complexities of gender and marginalisation. We would therefore suggest language like 'gender equality'.</p> <p>We would encourage strengthening language on gender-mainstreaming and gender-responsive programmes. So, for example, the heading on 'stepped-up engagement on gender equality' (para 60), could be improved as it currently risks seeming to position gender equality as separate to, rather than mainstreamed through, the portfolio. Para 60 notes '...addressing social norms, practices, attitudes, beliefs and value systems in a total of 35 per cent of projects at design.' While recognising IFAD ambition on transformation, we would like to underline the importance of mainstreaming gender equality through 100% of IFAD programmes, as standard. So, further detail on how IFAD will achieve that would be helpful. The paper talks about impact on women a lot but</p>	

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	<p>there is little specific reference to girls. We suggest at some points saying 'women and girls in all their diversity' or 'all women and girls'.</p>	
<p>United Kingdom (additional comments received by email)</p>	<p><u>Nutrition</u></p> <ul style="list-style-type: none"> • We strongly welcome the target of 60% of new projects being nutrition sensitive. Noted 64% in IFAD12 MTR were nutrition sensitive, already surpassing target. Could IFAD go for 65% instead of 60%? • Is IFAD also actively consider raising the <i>quality</i> of their nutrition-sensitive programming, not only the quantity? How is IFAD ensuring their nutrition-sensitive interventions are adopting the highest standards in achieving "sensitivity"? (See example under bullet 4 below). <p><u>On IFAD strengthening its nutrition offer:</u></p> <ul style="list-style-type: none"> • A combination of evidenced based cross-sectoral activities is vital to addressing child and maternal malnutrition. Can IFAD clarify if the most vulnerable rural populations will also receive nutrition education and SBCC services? It would seem counter-intuitive to leave these services out of the scope of the most vulnerable rural populations, in any differentiated offer. 	<p>Regarding the target of 60 per cent for new projects being nutrition sensitive, please note that IFAD12 is still under implementation so we have not yet surpassed the target overall. The IFAD12 MTR presented the percentage of approved projects as of end of December 2022 that met the criteria to be nutrition sensitive. However, achievement of the target can only be determined at the end of IFAD12 when all the projects have been approved. Based on the latest figures, including projects approved in 2023, and an analysis of the project pipeline for the remainder of IFAD12, 60 per cent is still considered to be an appropriate target, providing space also for IFAD projects to remain country demand-driven.</p> <p>Regarding the quality of nutrition sensitive programming, IFAD is committed to raising the quality of projects at implementation and resources are being directed towards this goal. IFAD continues to develop the capacities of its staff and implementing partners on nutrition sensitive agriculture and food systems through various means. An IFAD e-learning course on nutrition was developed and launched in the learning management system and dedicated training for staff is organized on a continuous basis. IFAD has also put</p>

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	<ul style="list-style-type: none"> What poverty and nutrition indicators/baselines are used to determine vulnerability? How will IFAD work other RBAs and NGOs in targeting and delivering any improved offer? <p><u>IFAD reducing nutrition impact target down from improving nutrition for 11m to 5m people.</u></p> <ul style="list-style-type: none"> We note the rationale for this reduction, but the nutrition impact target is now significantly smaller than IFAD's respective goals for providing people with improved incomes (103m), improved production (83m), improved market access (86m), greater resilience (86m), improved food security (78m), and improved women's empowerment (61m). Recommend IFAD prepare for an updated target by the end of the IFAD12 cycle and share likely materialisation in IFAD13. <p><u>IFAD propose removing a project-level outcome and output on nutrition.</u></p> <ul style="list-style-type: none"> We disagree with IFAD's proposal and recommend continuation of this indicator. This indicator would appear to be an important tool to both promote and review IFAD's programmatic impact on gender-nutrition outcomes. No other IFAD nutrition indicator has an explicit gender lens therefore this would be a clear loss. This links to our comment on considering the quality of nutrition-sensitivity – actively measuring nutrition outcomes of more vulnerable groups (women and girls) is an example of higher standards in 'nutrition-sensitivity' that IFAD should be aiming for. 	<p>together a roster of qualified consultants (nutrition specialists) that support both design and implementation. At project level, nutrition capacity-building for project management staff has been a high priority, as well as experience sharing events organized to allow cross-project and cross-country learning. Dedicated technical support is provided to projects during supervision and implementation support missions by IFAD staff and other experts. Further to this, IFAD has received supplementary funds to provide additional capacity-building to projects beyond what can be financed by IFAD's own administrative budget. For example, under the NORAD-funded "Nourishing People and the Earth through Inclusive and Sustainable Agriculture" programme, IFAD is supporting 10 projects that received technical and financial assistance to integrate nutrition.</p> <p><u>Regarding strengthening IFAD's nutrition offer, Management confirms that support to vulnerable groups can include nutrition education and SBCC interventions.</u> The text of the report has been edited to clarify this point. <u>With regard to indicators</u>, IFAD makes use of multidimensional poverty indicators as well as indicators related to all forms of malnutrition (undernutrition, overweight and obesity and micronutrient deficiencies), underlying causes (food security, care practices and environmental health), and food consumption and diet characterization. IFAD is working collaboratively with the other RBAs, research organizations and NGOs at all levels to learn from them about good practices, evidence generation and also to support capacity-building for implementation. For example, IFAD is working closely with WFP and using its vulnerability analysis, cost of diets and other studies to better inform nutrition targeting and better focus interventions.</p>

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	<ul style="list-style-type: none"> If IFAD is concerned about the small cohort of programmes reporting to this indicator, then instead of dropping the measurement, we recommend a greater encouragement within IFAD to promote and uptake this indicator in new and existing programme designs where possible. <p><u>Two nutrition indicators remain within the IFAD13 Results Management Framework.</u> As above, this is an example where IFAD seems to be loosening rigour by dropping a gender-specific nutrition output indicator. Recommend inclusion of existing gender indicator.</p>	<p>Regarding the reduction in the nutrition impact target, it is important to note that impact results are based on results from projects closing in that cycle. The IFAD12 impact assessments are being conducted on projects that were designed prior to IFAD11 when targets were first set for nutrition programming at design. Therefore, it would be challenging to provide an updated target based on the IFAD12 impact assessments as they are not expected to show significantly different results to what was reported in the IFAD11 impact assessments (just 0.6 million people).</p> <p>The projects included in the IFAD11 impact assessments were designed between three and 12 years before nutrition was systematically mainstreamed into IFAD's investments. The IFAD11 impact assessment report showed that while food security had improved, achieving necessary behavioural changes to improve nutrition is challenging without a dedicated theory of change. The project components that can deliver the needed change include investments in nutritional education and training, market incentives (e.g. labelling and traceability) and interventions to influence consumer preferences (including regulatory frameworks), as long as components are interlinked and embedded in the overall theory of change.</p> <p>Nevertheless, the nutrition impact (as measured by the dietary diversity indicators used by IFAD) is expected to increase in IFAD13 impact assessments. Current calculations indicate a realistic target is two million people but the target is being set at five million as an ambitious target.</p>

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		<p data-bbox="1211 233 1984 778"><u>Regarding the project-level outcome and output indicator on nutrition</u>, Management would like to highlight that any streamlining of indicators from the RMF does not mean that IFAD is reducing attention to that specific theme. The RMF is a high-level corporate reporting tool where only a subset of indicators relevant for the majority of projects are included at the output, outcome and impact level. In line with best practices and IOE's evaluation, Management has streamlined the RMF to ensure that indicators included are those that are applicable to the majority of IFAD's operations and can be reported at an aggregate level. Internally, IFAD uses a much larger set of indicators in its projects that it tracks and monitors regularly. For a project to be nutrition sensitive, it must include an outcome and an output indicator. The main outcome indicator used by IFAD is minimum dietary diversity of women (MDDW).</p> <p data-bbox="1211 815 1984 1102">The proposal to remove this specific indicator from the IFAD13 RMF is based on the limited cohort of current projects where the indicator is relevant and cost-efficient to measure. This indicator was introduced in 2020, and only a handful of projects will be reporting on it in the IFAD13 cycle as the relevant reporting begins after the midterm of a project. Hence it is also not representative of the overall portfolio as is expected of the indicators included in the RMF.</p> <p data-bbox="1211 1139 1984 1362">IFAD remains committed to encouraging greater uptake of this indicator, but the actual reporting of results will require time. It is proposed to include it in the RMF in subsequent replenishment cycles once more projects using the indicator have reached midterm and are able to report on results that are more robust and reliable, as opposed to preliminary estimates.</p>

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		<p>Regarding the number of nutrition indicators remaining in the RMF, the IFAD13 RMF will still include two Tier II indicators on nutrition, at impact level (indicator 2.1.5) and outcome/output level (2.3.12). There is also a third indicator in Tier I (1.2.2): the IFAD12 and IFAD13 commitment to ensure 60 per cent of new programmes are nutrition-sensitive. Management continues to implement the IFAD11 commitment to ensure 100 per cent of COSOPs integrate nutrition, along with other measures included in the <u>IFAD Action Plan on Nutrition 2019-2025</u>. Furthermore, as mentioned above Management proposes to include the further specific outcome level indicator on the percentage of women reporting minimum dietary diversity in the RMF in future. The indicator has been included in the IFAD Core Indicator Guidelines and is being routinely integrated into project logframes and also measured at baseline, midline and endline surveys. IFAD is consistently building the capacity of the projects on how to measure and report the indicator and we are seeing an increase in the number of projects that are integrating the nutrition indicator in their surveys.</p>
<p>France on behalf of Argentina, Belgium, Cameroon, Cuba, Spain, France, Luxembourg, Mexico, Peru, Dominican Republic, Switzerland,</p>	<p>In their respective capacities as members, associate members or observers of the International Organization of la Francophonie (IOF), and as members of the Group of Friends of Spanish at the United Nations, the following 12 States participating in the Consultation on the Thirteenth Replenishment of IFAD's Resources thank Management for the draft IFAD13 Report and are honoured to draw its attention to the importance of the full implementation of multilingualism, as a fundamental value of the United Nations, during the 2025–2027 three-year</p>	<p>Management appreciates this comment and confirms that IFAD recognizes the United Nations commitment to linguistic diversity and notes the suggestion to include a multilingualism indicator in IFAD's DEI framework. IFAD is committed to developing best practices in implementing its DEI strategy and a benchmarking exercise is ongoing with other UN organizations and IFIs to fine-tune the performance indicators. IFAD's participation in the High-Level Committee on Management multidisciplinary working group of DEI, composed of diversity experts, provides an opportunity for</p>

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Venezuela (Bolivarian Republic of)	<p>replenishment period.</p> <p>To this end, the following is proposed: In the draft report, add a paragraph 108(a): "The Fund will take resolute action to guarantee and develop multilingualism. In this regard, it will draw on the best practices and standards of the United Nations system and other relevant international organizations. It will develop key performance indicators on multilingualism as part of the implementation of its Strategy on Diversity, Equity and Inclusion. It will include elements relating to the perception of respect for multilingualism in the Global Staff Survey (GSS). It will appoint a multilingualism coordinator from among its senior managers. "; In annex I containing the commitments and monitorable actions for IFAD13, add an action 25(a) worded as follows: "Develop a set of multilingualism indicators as part of the implementation of its Strategy on Diversity, Equity and Inclusion" with a completion date of "fourth quarter of 2024"; In annex II containing the RMF indicators, add an indicator 3.6.4 entitled "Percentage of staff proficient in more than one of the Fund's official languages", established on the basis of the institutional databases and defined as follows: "Number of staff with advanced proficiency in more than one of the Fund's official languages, at level III or above of the United Nations Language Framework".</p>	<p>knowledge exchange. Currently, there are no examples of multilingualism indicators to draw from the benchmarks carried out so far, but IFAD will continue to engage on this topic.</p> <p>IFAD's commitment to multilingualism in the context of its workforce, stakeholders and beneficiaries continues to be demonstrated in the use of IFAD's official languages in all communication on its corporate website, social media channels and press releases. We also continue to encourage uptake of free language classes by staff.</p> <p>Unfortunately inclusion of the proposed RMF indicator and the timeline are not feasible at present. IFAD's current policy and provisions relating to recruitment do not foresee the requirement of advanced proficiency in more than one official language of the Fund, unless determined for and required by a specific job profile. In addition, IFAD has not established the process and criteria for potential data collection, verification and update. Defining the indicator and the process as well as collecting the data would require additional resources and would not be feasible for Q4 2024. As mentioned already no other UN or IFI has a multilingualism indicator.</p> <p>IFAD's Results Management Framework is designed to monitor progress against the main priorities and directions of the IFAD13 replenishment. The RMF is a tool primarily used by IFIs to manage performance during a replenishment period. In addition, the IFAD13 RMF has committed to streamline the number of indicators as a key principle. This</p>

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		<p>indicator is not one included by any other IFIs in their equivalent RMF.</p> <p>Finally, IFAD is a decentralized organization and as such has many national staff in its offices whose main language is a non-official language.</p>
Germany	<p>We commend management for putting forward an excellent IFAD 13 draft report. Therefore at this point just some minor comments from our side. We will come back with further suggestions if necessary during the Third Session.</p> <p>Overarching Comments:</p> <p>1. We welcome that the reports emphasizes the importance of SDG 5. However, we think that the central and vital role of women as well as of marginalized groups like youth and indigenous people should come out stronger in the different areas of engagement presented in the report. In several areas a stronger focus on women and marginalized groups informed by the 3 R (rights, resources, representation) would greatly improve the stakes of successful project completion for all parties. We also wonder why in IFAD's partnership with different organizations and associations (farmers, Indigenous people, youth) no women association is mentioned.</p> <p>2. We welcome that the report considers women and other marginalized groups in an inclusive way. Though, most mentions are limited to section III D "Ensuring inclusivity to leave no one behind". In this segment engagement, knowledge and value of women, young people, Indigenous People as well as people with disabilities are pointed out. However, the intersection of different social categories and the</p>	<p>Management thanks Germany for these comments.</p> <p>With regards to the question on women's associations, IFAD partners with women-led organizations and women's associations, especially at the community, grass-root and local levels through its projects, and through various supplementary-funded activities and advocacy initiatives such as Feminist Action for Climate Justice. These initiatives are particularly focused on efforts to increase the voice of women and their representation in leadership positions in organizations at all levels, and within IFAD itself. The only reason farmers' organizations, Indigenous Peoples' groups and youth are mentioned as a group, without also mentioning women's associations, is because the reference in the report is to the specific mechanisms established to engage with these stakeholder groups in IFAD – namely the Farmers' Forum, Indigenous Peoples' Forum at IFAD, and the IFAD Youth Grassroots Movement. In each case, efforts are made to ensure strong representation of women and to include women-led and women-focused organizations.</p> <p>The other comment on references to women and the intersection of different issues is well noted, and in response to this and other comments supporting greater focus on the intersection of different social categories, the relevant paragraph in section III(D) has been enhanced and expanded.</p>

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	<p>implications on access to food, land and participation are solely mentioned in the context of people with disabilities. Also, central aspects as the access to land, food or resources seem to be undermined. Critical emphasis has to be put on the fact that women are not mentioned at all in section III C on the Increasing engagement with the private sector, an area in which women are greatly underrepresented (e.g. §51).</p> <p>3. The report strongly highlights interlinkages with the Sustainable Development Goals. However, synergies with other global frameworks, such as the Paris Agreement, the Kunming-Montreal Global Biodiversity Framework, the Convention to Combat Desertification and the Sendai Framework for Disaster Risk Reduction, could be stronger highlighted.</p> <p>4. Climate Risks Analyses are essential to identify vulnerability factors, assess climate-related hazards and exposure as well as to develop adaptation options in the long run. The potential of climate risk analyses could be taken up more prominently in the report.</p> <p>5. Increasing, strengthening or building resilience to climate change (of people, food systems etc.) is mentioned prominently in the report. However, no clear definition of resilience is provided. Since resilience has multiple interpretations, it would be helpful to know, how resilience is interpreted in this report and what kind of activities specifically fall under resilience building.</p> <p>6. We see scope to highlight even more growing inequality which is interlinked both to hunger and poverty.</p> <p>7. The high relevance of partner contributions to the success of IFAD13 and to IFAD support should be reflected in the text. This includes sufficient Government financing, including for the local level, for agriculture, rural development and the fight against</p>	<p>Regarding the focus on women in IFAD’s engagement with private sector, as indicated in annex III, the PSFP has three specific objectives: (i) job creation and economic inclusion of youth; (ii) women’s empowerment; and (iii) the promotion of climate adaptation and mitigation efforts to achieve greater resilience among small-scale producers and the rural poor. In addition, 50 per cent of PSFP resources are dedicated to gender-sensitive investments and priority is given to businesses that are women or youth-owned and operated. Box I in annex III provides additional details on how the PSFP supports corporate priorities vis-à-vis youth, gender and climate. Section III(C) has been updated to clearly highlight the strong focus of the PSFP on women.</p> <p>References to the various other global frameworks have been added or enhanced where relevant in the document.</p> <p>Regarding point 4 on climate risk, IFAD is ensuring that climate risk is considered across its portfolio at every stage of the project cycle. In the recent revision of IFAD’s SECAP procedures in 2021, an updated climate risk screening is carried out during the project concept note design to identify potential climate-related risks. Projects with a substantial or high risk rating for climate automatically trigger a detailed climate risk analysis or targeted adaptation assessment to ensure adaptation and mitigation measures are fully grounded in a scientific evidence base. IFAD has also updated its adaptation toolbox, making available open-source tools for project teams to ensure that the best available tools are applied across IFAD’s portfolio. Finally, IFAD has a growing collaboration with FAO, who are also at the forefront of</p>

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	<p>poverty. But also improving governance, strengthening capacities and providing better framework conditions for smallholders.</p> <p>Specific Comments Executive Summary Para 4: We suggest adding that rural people are not only significant contributors to food security, but also to poverty reduction in general through boosting local economies. See FAO (2017) "Strategic work of FAO to reduce rural poverty"; pp. 5, 8-9. Para 14: While the challenge that multiple crises pose is mentioned, there would be room for referring to the "recover forward principle" that allows to leapfrog development stages. Para 24: We suggest mentioning the leave no one behind principle (LNOB) of the 2030 Agenda in this paragraph / in the executive summary of the report.</p> <p>I.-IX Para 30: The effects on fertilizer prices should also be mentioned here. Para 33: Women are only mentioned in the last sentence which gives the impression that they are not an integral part of the strategy. No commitments are described for actual connecting points for the implementation. Para 34: We recommend including a reference on the particular situation of women when mentioning multifaceted risks associated with fragility. B. Investing in biodiversity and climate resilience of small-scale producers Women in all their diversity are central change agents and knowledge carriers for biodiversity conservation and climate action. Yet, they are often impaired by discriminating power structures which express</p>	<p>developing tools aimed at identifying climate risks and impacts in the agriculture sector.</p> <p>Regarding point 5 on resilience, IFAD, in line with the United Nations, defines resilience as the ability of a system, community or society exposed to hazards (climate change, fragility, conflict, etc.) to resist, absorb, accommodate to and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions. IFAD helps vulnerable communities to effectively manage various risks, ensuring that they can recover while maintaining stable development and well-being without harming their future prospects. This concept is crucial for achieving Sustainable Development Goals, minimizing climate change impacts, and preserving development gains during crises. Thus, IFAD invests in strengthening resilient rural livelihoods and food systems through such means as sustainable agriculture and improved nutrition, ensuring stable and prosperous futures for these communities.</p> <p>Regarding point 6 on the linkages between inequality, poverty and hunger, indeed recent SOFI reports have highlighted persistent and growing inequalities as a major driver of food insecurity and malnutrition. An additional reference to the role of inequality, alongside conflict, climate shocks and economic slowdowns in driving the current crisis has been included in the opening paragraph. It is also mentioned in the Executive Summary.</p> <p>Regarding point 7 on partner contributions, Management agrees that borrowing countries play a fundamental role in the financing of IFAD13, from their</p>

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	<p>themselves in the gender-specific distribution of resources, representation, and rights. Still, they are not mentioned in this section at all. We recommend including women and girls throughout this section.</p> <p>Para 42: Improving and adapting existing infrastructure is also important in the context of slow-onset events (e.g., sea level rise) that can fall under the adverse effects of climate change next to extreme weather events.</p> <p>In the context of "Investing in projects that promote ecosystem restoration, sustainable land management and biodiversity conservation", ecosystem-based adaptation could be included.</p> <p>It is positive to note that IFAD is investing in Early Warning Systems for the resilience of small-scale producers. However, participation in the Early Warning for All Initiative launched by the UN Secretary General in order maximize international alignment should be considered.</p> <p>In the context of "Covering asset losses from extreme weather events", it is equally important to consider that extreme weather events and slow-onset processes can lead to non-economic losses (e.g., biodiversity loss, loss of cultural heritage).</p> <p>Para 53: We recommend adding women and marginalized groups as beneficiaries.</p> <p>Para 57: While the section discusses communication and collaboration with marginalized groups, it does not specify whether or how women and other marginalized groups are integrated into these processes. We recommend including women-led organisations, also in Box 3 as key partners.</p> <p>Thank you!</p>	<p>timely loan repayments to additional replenishment contributions to counterpart financing for individual investment projects. Additional language on the importance of counterpart contributions (typically included within the definition of "domestic cofinancing" in IFAD documents), has been included.</p> <p>Regarding paragraph 4, Management strongly agrees with this comment, which provides a significant part of the rationale for investment in small-scale agriculture and rural areas. The relevant paragraph has been adjusted.</p> <p>Regarding paragraph 14, Management recognizes the value of the "recover forward" principle; however, the concept of "recover forward" can be challenging to translate in all official languages of IFAD while ensuring a shared understanding of the terminology. Nevertheless, additional wording has been added to attempt to capture this principle.</p> <p>Paragraphs 24, 30, 33, 34 and 53 have all been revisited based on Germany's feedback.</p> <p>Regarding references to women in the section on biodiversity and climate resilience, women are central to IFAD's biodiversity strategy, playing a key role in combining conservation and sustainable development. IFAD empowers women to help manage and protect biodiversity through sustainable farming practices, ensuring that they are involved in making important decisions and benefit from them. Women's unique skills and knowledge are utilized to encourage community-based approaches that boost access to essential resources like land and finance. Furthermore, women are key actors to leverage the</p>

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		<p>biodiversity–nutrition nexus. They are most often responsible for household health and nutrition and therefore can drive adoption of biodiversity positive practices and sustainable use of wild food that provide nutrition and health co-benefits. Indigenous Peoples are also key stewards of biodiversity and are change agents that IFAD prioritizes in its biodiversity work.</p> <p>IFAD also recognizes the importance of addressing inequalities that affect both women and girls. This terminology is widely used in IFAD’s gender action plan 2019-2025. Additional references to women and girls have been integrated into the report where appropriate (https://webapps.ifad.org/members/eb/126/docs/EB-2019-126-INF-6.pdf)</p> <p>With regard to paragraph 42, adjustments have been made to the referenced paragraphs to incorporate this feedback, including adding a reference to ecosystem-based adaptation. Management also highlights that ecosystem-based adaptation is implicit in the reference to "green infrastructure" and an integral part of IFAD's integrated watershed management approach.</p> <p>With regard to early warning systems, IFAD is ensuring alignment with existing initiatives, including the Early Warnings for All Initiative (EW4All). IFAD has also joined (as an implementing entity) the Systematic Observations Financing Facility (SOFF). This engagement will ensure that investments under the EW4All will be complemented by IFAD financing, with IFAD investments focusing on last-mile delivery of climate information and early warning services (CIEWS). The relevant paragraph has been updated to reflect this more clearly.</p>

Country	Comment	Response / Action Taken
		<p>Regarding paragraph 57, on collaboration, a reference to women-led organizations has been included in the paragraph. However, Management notes that this section is reporting on a specific set of consultations that have been undertaken with Indigenous Peoples' groups, farmers' organizations and youth through existing mechanisms established by IFAD over recent years. These mechanisms do include women-led organizations, but not as a specific separate stakeholder group. More information on these processes can be found on IFAD's website at the following links:</p> <p>https://www.ifad.org/en/farmers-forum https://www.ifad.org/en/indigenous-peoples-forum https://www.ifad.org/en/youth</p>

<p>Canada</p>	<p>Canada would like to commend IFAD for the overall quality of the draft report. We support IFAD’s ambition on gender transformative approach and welcome the introduction of a new outcome indicator on gender equality. We see this as a signal of IFAD’s intention to improve performance on programme delivery and performance at completion. We also appreciate the commitment to mobilize additional financing and the progress related to the establishment of the ACCs, which we are supportive.</p> <p>We welcome the increase of the allocation target from at least 25% to at least 30% to countries in fragile situations, which is consistent with a proposed increase in the focus on fragile contexts in comparison to IFAD12. We also appreciate the commitment to work with FAO and WFP to deliver well-coordinated RBA investments with strong country ownership and to partner with the UN Peacebuilding fund and the UN country team, including on the UN country team strategy. (para. 36). We agree on the importance of assessments (enhanced fragility diagnostics) in each situation to better understand the multiple dimensions of fragility (para. 34). IFAD can collaborate with the RBAs to develop joint assessments and anchor them more broadly in UN country response - whenever possible.</p> <p>On investing in climate resilience and biodiversity, we appreciate the efforts to better integrate climate and biodiversity. We would appreciate receiving more information on what the Roadmap on alignment with the Paris Agreement would include precisely. We would also appreciate if the document could discuss the complementarity of the proposed investments in</p>	<p>Management thanks Canada for these comments.</p> <p>With regard to alignment with the Paris Agreement, the development of a roadmap will provide clarity on the key role IFAD can play in supporting countries in realizing their climate action plans in the small-scale agriculture and rural sphere, in accordance with the Paris Agreement, drawing on the Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment,² including clarifying specific actions, timeline and resource implications.</p> <p>A key element of Paris alignment is reducing the greenhouse gas emissions from MDB portfolios. Given IFAD’s specific mandate and focus on sustainable small-scale agriculture using people-centred approaches to development, IFAD is not faced by some of the challenges encountered by IFIs historically involved in investments related to fossil fuel extraction and processing, energy, or large infrastructure projects. Indeed, work has already been undertaken to establish the greenhouse gas emissions from IFAD’s portfolio, which confirms that IFAD is a net greenhouse gas emissions sink in this regard.³</p> <p>IFAD's roadmap would outline specific future actions, encompassing:</p> <ul style="list-style-type: none"> • Transitioning to conducting a detailed GHG analysis for all IFAD-financed projects, including during their conceptualization phase to pinpoint optimal agricultural investment choices rooted in their climate adaptation-
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² <https://www.worldbank.org/en/publication/paris-alignment/joint-mdb-paris-alignment-approach>.

³ <https://www.ifad.org/documents/38714170/41937469/paris-alignment.pdf/7a248b90-e885-016d-1172-163a584d2384?t=1676560374052>.

	<p>early warning systems and disaster risk reduction (para. 42) with existing initiatives such as the Climate Risk and Early Warning Systems (CREWS) initiative that is managed by the World Meteorological Organization (WMO).</p> <p>Canada supports IFAD's efforts to innovate and diversify funding solutions in favour of the poorest and most vulnerable and efforts towards supporting the establishment of a better enabling environment for Agri-MSMEs in LICs and LMICs. We commend IFAD PSFP use of blended and innovative financial structures with a mobilization and financing ratio of 1:5. We also welcome the commitment to identify private sector opportunities into all COSOPS. We welcome the inclusion of the new financial scenario. Canada could be supportive of a financial scenario that represent a moderate nominal growth in comparison to IFAD12, in light of the need to balance ambition with the challenging fiscal environment.</p>	<p>mitigation harmony and mitigation prospects. This process will also be conducted upon project completion.</p> <ul style="list-style-type: none"> • Enhancing the integration between Nationally Determined Contributions (NDCs) and National Biodiversity Strategies and Action Plans (NBSAPs) within our project blueprints. • Boosting staff familiarity with the Paris Agreement and the Global Biodiversity Framework, elucidating the ways we can assist. • Amplifying combined adaptation-mitigation-biodiversity advantages in our investments. • Further refining our approach to evaluating climate risks in project designs, and augmenting the identification of sustainable, context-relevant, and inventive climate adaptation strategies tailored for IFAD's target demographics. • Increasing the volume of climate finance sourced from diverse contributors, especially the private sector. • Intensifying our support to Member States in augmenting their NDCs/NAPs and in formulating investable initiatives to attain climate objectives, specifically pertaining to the agricultural sector and the transformation of food systems. • Further advancing the assessment and documentation of climate resilience results accomplished by projects. <p>IFAD is investing in strengthening CIEWS through observation networks, dissemination channels for CIEWS and training of beneficiaries. Globally, IFAD aims to increase its CIEWS portfolio over the coming years. IFAD is ensuring alignment with existing initiatives, including</p>
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		<p>the Early Warnings for All Initiative (EW4All). IFAD has also joined (as an implementing entity) the Systematic Observations Financing Facility (SOFF). This engagement will ensure that investments under the EW4All will be complemented by IFAD financing, with IFAD investments focusing on last-mile delivery of CIEWS. The relevant paragraph has been updated to reflect this more clearly.</p> <p>With regard to the financial scenarios, Management appreciates this feedback and urges Member States to support the higher scenarios and ensure substantial real growth in the overall PoLG as part of an ambitious response to the current crises, and to support global efforts to transform food systems, respond to climate change, and get the SDGs back on track.</p> <p>Pledges received to date demonstrate that Member States, both borrowers and traditional donors, are ready to increase their contributions in line with the highest scenarios and beyond. Member States are encouraged to also explore provision of CPLs and ACCs, in addition to their core contributions, should this be an option to increase their overall replenishment contribution for IFAD13.</p>
Brazil	<p>Brazil appreciates the efforts made by the Management in preparing the draft report of the Consultation on the Thirteenth Replenishment of IFAD's Resources. Please find below some questions on the draft Report. If needed, supplementary recommendations will be provided during the Third Session.</p> <p>Brazil requests more information regarding Table 3. Given that the PoLG of scenario A+ is higher than the IFAD 12 level, why is the BRAM expected to be lower than the IFAD 12 level in all scenarios for IFAD 13?</p>	<p>Management thanks Brazil for these comments.</p> <p>Management would like to highlight that the level of financing available to UMICs is projected to be higher than in IFAD12 in all scenarios from A+ to C.</p> <p>The level of BRAM resources is derived from the need to continue to manage borrowing prudently, and increased BRAM resources are not a requirement to increase financing for UMICs. It also depends on the level of demand for BRAM resources from other country income</p>

	<p>This clarification is particularly relevant, as in conversations with the IFAD, the information received was that the BRAM could be increased in the coming years.</p> <p>We would like to see more information in the Report regarding the BRAM mechanism and how IFAD plans to borrow resources to fund the BRAM mechanism. Furthermore, still regarding Table 3, we would appreciate it if IFAD could provide more details about the “Other non-country/global-regional Grants”.</p>	<p>groups and the number of LICs and LMICs that meet the credit worthiness requirements to access BRAM resources. In IFAD13, PBAS resources are expected to be proportionally higher within the overall PoLG, and the BRAM slightly lower, compared to IFAD13, but the resources available to all country groups increase in all scenarios from A+ to C.</p> <p>An update on implementation of the BRAM is provided to the Board every December, and the next update will be discussed at the 140th session in December 2023. A complete overview of the implementation of the PBAS and BRAM will be provided at the end of the IFAD12 cycle. An update on IFAD’s borrowing will also be submitted to the Board in December as part of the annual resources available for commitment document. For IFAD13, the BRAM will continue to be funded with borrowing in line with the updated Integrated Borrowing Framework, and during IFAD12 and IFAD13, strategic discussions will continue with the Executive Board about IFAD’s borrowing and the ways in which IFAD could respond to G20 recommendations to MDBs to optimize their balance sheets and boost lending capacity.</p> <p>The non-country/global-regional grant funding has long formed part of IFAD’s overall programme of loans and grants, and historically has been set at 5 per cent of the overall PoLG. However, since IFAD11 this grant envelope has been defined as a specific financing amount, rather than a percentage of the total in order to ensure alignment with IFAD’s overall granting capacity. As part of this shift, the amount of funding for these grants has been significantly reduced compared to historical levels; however, it remains a critical source of financing for activities that contribute to the Fund’s strategic objectives including supporting knowledge work, innovation, research, capacity-building and other</p>
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		<p>activities that help deepen the impact of IFAD's programme of work and provide additional technical support to its borrowing Member States. Use of these resources is governed by IFAD's Regular Grants Policy which was last updated and approved by the Executive Board in 2021 (EB 2021/132/R.3).</p>
<p>United States</p>	<p>The United States would like to thank IFAD Management for an excellent draft reflecting Member State feedback and an engaged and iterative process. We appreciate the sharpened narrative on the case for IFAD13 and for the short document prepared to better highlight IFAD13 to relevant decisionmakers. While these points have been well made in the report's introduction, particularly in paragraphs 3, 4, and 7, the executive summary would also benefit from explicit reference to the need for IFAD to do more of what it does best.</p> <p>Additionally, we encourage IFAD to further elevate the need for and value of policy reform efforts to complement scaled-up finance and to highlight the critical role IFAD plays in advancing policy reforms through its country programs and strategic partnerships.</p> <p>We appreciate the revised IFAD13 financial scenarios, which reflect Member State input. We would welcome further clarification on the bracketed text in paragraph 2 regarding IFAD's call for \$2 billion in additional financing given Member State inputs in the final document.</p> <p>On fragility, we commend IFAD for increasing its fragility target and for strengthening its planned engagement with strategic partners. The strategy outlined in the new annex on fragility aligns with</p>	<p>Management thanks the United States for these comments.</p> <p>Based on this feedback on the narrative, the relevant paragraphs in the executive summary have been enhanced as suggested, drawing particularly on paragraph 7 from the introduction.</p> <p>Regarding policy engagement, as recently reported to the Executive Board in the 2023 RIDE (EB/2023/139/R.14), while country-level policy engagement remains a lower performing area, steps are being taken to address this in recognition of the need for, and value of, policy engagement to complement scaled-up finance. Recently IFAD has improved its guidance tools on country-level policy engagement and refreshed its knowledge management strategy to ensure greater focus on: (i) systematic data and evidence; (ii) knowledge use; and (iii) greater links to country programmes, particularly for national policy engagement. IFAD is also planning pilot country advisory services in seven countries in 2023 and 2024 to offer data and targeted research to inform national policy engagements. In addition, IFAD continues to invest in decentralization and increase proximity to partners in order to improve non-lending support offered at country level. Improvements in non-lending activities more generally are being noted in self-evaluation findings and the 2022 IFAD stakeholder survey.</p>

	<p>IFAD's comparative advantage, mandate, and extensive experience in fragile contexts, and reflects Member State feedback. As mentioned in the informal consultation, we agree that IFAD's heightened focus on fragility and its commitment to increase the share of core resources to LICs from 40% to 45% could also lend itself to greater ambition on its allocation of resources to Africa.</p> <p>On climate, we strongly support IFAD's increased climate target and its focus on climate adaptation and biodiversity. We concur with requests for additional clarity on IFAD's proposed Paris alignment roadmap. Finally, on ACCs, we remain cautious about the implications of establishing distinct channels in the context of replenishment and believe that activating such a mechanism should reflect clear Member State interest. We urge IFAD to clarify in the consultation report that creating the ACCs will not establish a precedent for additional channels in future replenishments.</p> <p>On the private sector, we would like to see the opportunity for and importance of leveraging synergies between public and private sector investments be even further elevated. We note the reference to an advisory committee in paragraph 28 of Annex III – we believe that as the PSFP scales up it should be aligned with IFAD's existing governance and that the EB should play the oversight role for NSO programming. Additionally, given IFAD's role as an assembler of finance and the 1:1.95 co-financing ratio reached in IFAD11, we agree with comments by other Member States that there is scope for IFAD to increase its co-financing target beyond the proposed 1:1.6. We highlight in particular the scope for greater ambition for domestic co-financing and NSO leverage given their respective baselines. We also believe that</p>	<p>Regarding the bracketed text in the document, while the entire document is draft, brackets were included where specific references were made to targets for IFAD13 financing to be clear that this issue remains to be discussed in further detail at the third session.</p> <p>The share of core resources to Africa is an outcome of a number of factors, including the PBAS formula, and particularly the overall level of the replenishment and amount of funding that can sustainably be allocated for grant financing to countries in or at high risk of debt distress. Of the 43 African countries that received financing in IFAD12, 12 required DSF grants. Currently this figure has increased to 15 and may increase further during IFAD13. As such the share of core resources for Africa and sub-Saharan Africa (SSA) is strongly related to the volume of DSF financing available in IFAD13, which itself is determined by the level of replenishment contributions. In addition, it is necessary to take into consideration possible changes in values in the PBAS formula variables which may further affect regional PBAS outcomes. As such, while the minimum shares for Africa and SSA have been exceeded in IFAD12, it is prudent to maintain these minimum levels for IFAD13 to account for these factors, recognizing that they serve to ensure a minimum share and are not a ceiling.</p> <p>The first reporting on the actual share of core resources to Africa and SSA will take place through the progress report to the Executive Board planned for December 2024, which will include the distribution of IFAD13 resources.</p>
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	<p>as the PSFP scales up it should align with IFAD’s core emphasis on LICs/LMICs in order to generate the greatest possible lessons learned that could contribute to IFAD’s foundational work in other countries.</p> <p>We look forward to next year’s strategic discussion on IFAD’s financial outlook through 2030 that President Lario proposed at the May 2023 Executive Board. Accordingly, we would suggest that paragraph 115 focus on that commitment to strategic discussions in IFAD13, rather than exploring an expansion of its borrowing instruments. This can be done by deleting the first bolded sentence in the para and moving up the third sentence, “During the remainder of IFAD12 and in IFAD13, Management will continue the strategic discussions with the Executive Board about potentially accessing other borrowing instruments in future replenishment cycles, in line with resolution 223/XLIV,⁸⁷ building on lessons learned and experience gained with private placements.” to the start of paragraph 115.</p> <p>Lastly, echoing our comments from the previous discussion, we note the important commitment from IFAD12 for a report on the implementation of the graduation policy, which IFAD committed to present during IFAD13, and we request that such implementation report be attached to the consultation report as an annex.</p>	<p>With regard to alignment with the Paris Agreement, the development of a roadmap will provide clarity on the key role IFAD can play in supporting countries in realizing their climate action plans in the small-scale agriculture and rural sphere, in accordance with the Paris Agreement, drawing on the Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment,⁴ including clarifying specific actions, timeline and resource implications.</p> <p>A key element of Paris alignment is reducing the greenhouse gas emissions from MDB portfolios. Given IFAD’s specific mandate and focus on sustainable small-scale agriculture using people-centred approaches to development, IFAD is not faced by some of the challenges encountered by IFIs historically involved in investments related to fossil fuel extraction and processing, energy, or large infrastructure projects. Indeed work has already been undertaken to establish the greenhouse gas emissions from IFAD’s portfolio, which confirms that IFAD is a net greenhouse gas emissions sink in this regard.⁵</p> <p>IFAD's roadmap would outline specific future actions, encompassing:</p> <ul style="list-style-type: none"> • Transitioning to conducting detailed GHG analysis for all IFAD-financed projects including during their conceptualization phase to pinpoint optimal agricultural investment choices rooted in their climate adaptation-mitigation harmony and mitigation prospects.
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⁴ <https://www.worldbank.org/en/publication/paris-alignment/joint-mdb-paris-alignment-approach>

⁵ <https://www.ifad.org/documents/38714170/41937469/paris-alignment.pdf/7a248b90-e885-016d-1172-163a584d2384?t=1676560374052>

		<p>This process will also be conducted upon project completion.</p> <ul style="list-style-type: none"> • Enhancing the integration between NDCs and NBSAPs within our project blueprints. • Boosting staff familiarity with the Paris Agreement and the Global Biodiversity Framework, elucidating the ways we can assist. • Amplifying combined adaptation-mitigation-biodiversity advantages in our investments. • Further refining our approach to evaluating climate risks in project designs, and augmenting the identification of sustainable, context-relevant, and inventive climate adaptation strategies tailored for IFAD's target demographics. • Increasing the volume of climate finance sourced from diverse contributors, especially the private sector. • Intensifying our support to Member States in augmenting their NDCs/NAPs and in formulating investable initiatives to attain climate objectives, specifically pertaining to the agricultural sector and the transformation of the food system. <p>With regard to ACCs, additional text has been included in the document to emphasize that creation of ACCs should not be considered as establishing a precedent for the creation of other thematic additional contributions to the resources of the Fund in the future.</p> <p>Regarding the governance and operations of the PSFP, as part of the framework for implementing the new PSFP funding modalities planned for submission to the Board in the third quarter of 2024 (Commitment 1.4,</p>
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		<p>Monitorable Action 14), Management will be reviewing the arrangements based on lessons learned and best practice in other organizations and will present updated PSFP governance measures to the Executive Board. The guiding principle will remain strong oversight from the Executive Board.</p> <p>Regarding cofinancing, given the current economic environment and high levels of debt, Management believes that it will be challenging to secure increased levels of domestic cofinancing in IFAD13 and proposes to retain the current proposal to increase the target from 1:1.5 in IFAD12 to 1:1.6 in IFAD13, with the increase expected to be derived from increased international cofinancing. The initial impact of the current economic environment can already be observed in the cofinancing ratio reported in the RIDE 2023 (for 2020-2022), which stands at 1:1.63, compared to 1:1.95 in 2019-2021.</p> <p>The leverage effect of NSOs was above target in 2022 but based on a limited number of operations. As the NSO portfolio expands, IFAD will also be able to monitor trends and enhance learning on this aspect.</p> <p>Regarding the PSFP, as noted in annex III, the full amount of the core grant resources will be used to provide blended finance for investments in low-income countries (LICs) and lower-middle-income countries (LMICs), as well as countries affected by fragility, in line with the broader agreement on use of IFAD's core resources in the PoLG. Further language has been included in the annex to clarify this.</p> <p>Regarding the strategic discussion on IFAD's financial outlook through 2030, Management</p>
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		<p>appreciates this feedback. The referenced paragraph has been adjusted in line with the proposal, deleting the first bold sentence and providing additional clarifications regarding the strategic discussions with the Executive Board in response to this and other Member States' comments.</p> <p>Regarding the Graduation Policy, a reference has been added to the draft IFAD13 Report, as well as a footnote making reference to the progress report on the implementation of the Graduation policy, which has been submitted to the Consultation. As agreed in the IFAD Graduation Policy (EB 2021/133/R.5), a progress report has been submitted to the IFAD13 Consultation at its third session. A further update will be submitted to the Executive Board for information at the December 2023 session, together with the annual reports on the implementation of PBAS and BRAM, as was done in 2022 (EB 2022/137/R.3/Add.1/Rev.2). This is in line with the commitment to annual reporting to the Board specified in the policy.</p> <p>The progress report on the implementation of the Graduation Policy is submitted to the Executive Board for information as part of the overall document on IFAD's 2024 results-based programme of work, regular and capital budgets, and budget outlook for 2025–2026. However, it is not included in the actual budget document submitted to the Governing Council for approval as, approval of the progress report is not required. Management recommends that the same approach be followed with regard to the IFAD13 Report.</p>
Finland (comments received via email)	Private Sector IFAD's proactive efforts to support the rural private sector in developing countries are commendable. The key to building sustainable market-based food	Management thanks Finland for these comments. As noted in the report, a framework for implementing the new PSFP funding modalities, including updated

	<p>systems lies in creating a vibrant local private sector and value chains in the food production sector. IFAD has developed a significant level of financial expertise and resources for the benefit of the rural private sector in developing countries. While this is welcome from the sustainable development funding perspective, it is equally important to manage the increased risks of such expansion properly.</p> <p>Climate and Biodiversity</p> <p>We appreciate IFAD's increased attention to biodiversity and the holistic approach to address climate, environment and biodiversity in parallel. We welcome IFAD's pursuit to present a consolidated strategy on climate, environment and biodiversity to the Executive Board, and plan a roadmap for IFAD's alignment with the Paris Agreement. We would encourage IFAD to align the roadmap also with the Kunming-Montreal Global Biodiversity Framework. It is excellent that IFAD aims to invest in early warning systems and disaster risk reduction. It is paramount to coordinate the efforts with the UN Secretary General's Early Warnings for All (EW4ALL) initiative in order to maximize synergies, and to engage in the country level coordination, led by UNDRR. Finland has considerable expertise and experience in improving weather, climate and early warning systems and would be happy discuss this with IFAD in more detail.</p> <p>We welcome IFAD's plan to start reporting using with the so called Rio markers. It is important that all four markers (adaptation, mitigation, biodiversity, desertification) would be taken into use, not just some of them. Additionally, we encourage you to consider taking the DAC's gender marker into use. We would strongly discourage using the term "climate-sensitive". Climate sensitivity has a defined meaning – "The change in the surface temperature in</p>	<p>PSFP governance arrangements, will be submitted to the Board in 2024, and will focus strongly on managing the risks involved in the expansion of the PSFP.</p> <p>The rationale for developing a single consolidated strategy for climate, environment and biodiversity is to ensure that a well-aligned and holistic approach is in place that takes into account the key international agreements and priorities relating to the different issues – including the Paris Agreement and Kunming-Montreal Global Biodiversity Framework – so that this can be taken into consideration in preparing the roadmap for Paris alignment, which itself will be linked to the development of the strategy.</p> <p>Management appreciates this strong support for IFAD's work on early warning systems and disaster risk reduction in rural areas and in relation to IFAD's specific mandate. IFAD is investing in strengthening climate information and early warning services through observation networks, dissemination channels for CIEWS and training of beneficiaries. Globally, IFAD aims to increase its CIEWS portfolio over the coming years. IFAD is ensuring alignment with existing initiatives, including the Early Warnings for All Initiative (EW4All). IFAD has also joined (as an implementing entity) the Systematic Observations Financing Facility (SOFF). This engagement will ensure that investments under the EW4All will be complemented by IFAD financing, with IFAD investments focusing on last-mile delivery of CIEWS.</p> <p>Regarding Rio markers, Management would like to confirm that at this stage the intention is to begin reporting on the Rio climate markers at project level while retaining the MDB methodology for measuring climate finance specifically. IFAD can explore the use of other Rio markers and the Development</p>
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	<p>response to a change in the atmospheric carbon dioxide (CO₂) concentration or other radiative forcing” (IPCC). It is not a similar term as gender sensitive, for instance. “Climate resilient and low emission investments” is a long term, however, correct terms with well-defined meanings, in line with the Paris Agreement, should be used. Another option, if a shorter term is needed, is to use “climate-smart” as this is commonly used especially to refer to climate-smart agriculture that includes both adaptation and mitigation efforts.</p> <p>Gender equality: We appreciate IFAD’s clear and ambitious focus on gender transformative programming and goal of 35% in this regard. We encourage IFAD to continue addressing the root causes of gender inequalities and shift gender norms with a view to contributing to more sustainable and gender equal results.</p> <p>We also appreciate IFAD’s explicit recognition of the intersection of gender and nutrition and the role of women to improve nutrition outcomes. The new indicator on measuring progress on gender equality is an important step forward. In addition, it would be important that IFAD increase focus on ensuring that a gender lens is used in all activities, that there is a clear and explicit mainstreaming of gender into all areas of IFAD’s operations.</p> <p>Women are now listed as a vulnerable group – this is wrong and should be corrected. Women are half of the population and not a group. The term “vulnerable group” should overall be considered changing into “persons and groups in vulnerable situations”, as the people and groups listed under “vulnerable groups” (beyond women, also indigenous peoples, youth, and persons with disabilities) are not inherently vulnerable but may find themselves in vulnerable situations due to legislation, discriminatory norms and structures,</p>	<p>Assistance Committee (DAC) gender equality policy marker by other partners to identify appropriate approaches relevant to IFAD’s specific business model and taking into consideration the potential workload and resource implications.</p> <p>Regarding the term “climate-sensitive”, this feedback is well-noted. As some civil society partners and Member States prefer not to use the term climate-smart, the term “climate-sensitive” in the report has been replaced by “climate resilient and low emission investments” where appropriate and other terminology elsewhere, where it was not used in line with the specific definition of the term as per the Intergovernmental Panel on Climate Change (IPCC).</p> <p>Management appreciates Finland’s strong support for IFAD’s work on addressing the root causes of gender inequalities. Management can confirm that a gender lens is applied to all IFAD-financed investments. Furthermore, gender mainstreaming is implemented in all areas of IFAD’s operations, including as an organization. This is reflected by commitments to increasing the share of women in P-5 positions and above and to achieving gender equality at all levels. The specific reference to women as a vulnerable group has been revised based on the language proposed in the comment and language has also been adjusted elsewhere in the document where clearly required.</p> <p>With regard to intersectionality, the wording of the report has been updated in line with IFAD’s revised targeting policy, highlighting that IFAD will adopt a people-centred approach that recognizes and addresses the heterogeneity of needs and priorities of persons with disabilities as a result of the multiple and intersecting</p>
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	<p>political decisions, etc. IFAD’s work would benefit from addressing the intersectionality of grounds of discrimination and personal and social characteristics such as gender, disability, age, ethnic origin, etc., depending on what is relevant for the context. Data is disaggregated by various variables, which is a good step in the right direction. In addition, the analysis, setting of objectives and results reporting would become richer if relevant intersectionalities would be considered. The draft report has as an operational objective/activity to ensure that farmers’ organisations, indigenous peoples and youth are consulted in the development of relevant IFAD strategies and operational policies. Would it be possible to redraft this text from the perspective of ensuring due participation of all relevant rights holders and stakeholders in relevant policy processes, with a specific focus on persons or groups that may face additional barriers for participation. Participation and dialogue go beyond consultation, and participatory processes need to be transparent and emphasize accountability. The equal and meaningful participation of women should be highlighted separately and explicitly.</p>	<p>drivers of poverty and vulnerability, including age, gender, ethnicity and lack of education.</p> <p>Regarding the stakeholder groups mentioned in the report, these were specifically identified because IFAD has already established specific mechanisms for engagement and consultation with them. However the comment is well taken and the wording of the commitment has been updated to include a reference to Management exploring options to ensure due participation of all relevant rights holders and stakeholders in relevant processes, with a specific focus on persons or groups that may face additional barriers to participation. However this will need to take into consideration IFAD’s existing governance structures and processes, and potential resource implications.</p>
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Table 2. Comments received on the IFAD13 additional climate contributions

Country	Comment	Response/ Action Taken
United States	<p>We would like to thank IFAD for this new document, reflecting the iterative and collaborative spirit that has guided this process. We commend IFAD for its ambition in committing to an increased 45% climate finance target, regardless of the level of ACCs received. In line with our focus on emphasizing robust contributions to core as the foundation of a successful replenishment, we support option 2 with ACCs</p>	<p>Management thanks the United States for these comments.</p> <p>In the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option.</p>

Country	Comment	Response/ Action Taken
	<p>accruing voting rights at a rate of 50 percent. We support the comments made by some colleagues on possible adjustments to further mitigate substitution risk. Although we appreciate that ACCs will be integrated into core, we remain cautious about the future implications of establishing a distinct channel within the context of replenishment and believe that the activation of such a mechanism should reflect clear member interest. Accordingly, we prefer to retain the \$100 million threshold.</p>	<p>Regarding the substitution clause, while comments were received with suggestions for a number of different alternatives for avoiding substitution risk, a stronger consensus appears to be that for a Member State to access voting rights in relation to ACCs, the Member should make a core pledge for IFAD13 in an amount of at least 100 per cent of their most recent core contribution in nominal terms and in local currency. This threshold, combined with the provision of a lower level of voting rights (50%) compared to core contributions, is proposed as a sufficient mechanism to manage substitution risk.</p> <p>Additional text has been included in the document to emphasise that creation of ACCs should not be considered as establishing a precedent for the creation of other thematic additional contributions to the resources of the Fund in future.</p>
Sweden	<p>We would like to thank IFAD for the revised document and considering comments from member states during the last IFAD13 consultation in regards to ACC. Sweden supports option 2, i.e. 50 votes per USD 158 million of contributions. We believe there should be a clear distinction between core, unearmarked funding in replenishments and other modalities.</p>	<p>Management thanks the Sweden for these comments.</p> <p>In the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option.</p>
Germany	<p>Germany thanks Management for the thorough revision of the document, in particular with regard to the issues of substitution risks, voting rights and overall climate target. Some remarks:</p> <p>1. We strongly support the unconditional increase of the climate target to 45 % of PoLG and we sympathize with France's idea of establishing a "super target" in case ACCs reach a certain level.</p>	<p>Management thanks Germany for these comments.</p> <p>In the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option.</p>

Country	Comment	Response/ Action Taken
	<p>2. ACCs should only be possible for Member States pledging at least the average amount of the last three contributions made to the Fund in order to balance substitution risk and to even out fluctuations in payments.</p> <p>3. At this point we feel that regarding voting rights option 2 (50 votes per US\$158 million of contributions) would be the preferable approach since core contributions remain the bedrock of IFAD.</p>	<p>Regarding the substitution clause, while comments were received with suggestions for a number of different alternatives for avoiding substitution risk, a stronger consensus appears to be that for a Member States to access voting rights in relation to ACCs, the Member should make a core pledge for IFAD13 in an amount of at least 100 per cent of their most recent core contribution in nominal terms and in local currency. This threshold, combined with the provision of a lower level of voting rights (50%) compared to core contributions, is proposed as a sufficient mechanism to manage substitution risk.</p>
France	<p>France would like to thank Management for taking into account the various comments from Member states concerning the additional climate contributions – especially regarding substitution risk as well as the increase of the target share of climate finance. In this respect, please note that France: 1. welcomes the unconditional increase of the climate target from 40% to 45% of the PoLG, regardless of the level of ACCs; 2. is of the view that a conditional “super target” of 50% could be established, that would be automatically triggered if ACCs reach a certain level (e.g. US\$100 million, as mentioned in the previous version of the document); 3. believes that a stricter non-substitution clause should be established, especially in the case of option 1 for voting rights, whereby ACCs would be possible only for Members States pledging at least 100% of their “highest” core contribution, instead of their “most recent” core contribution in nominal terms.</p>	<p>Management thanks France for these comments.</p> <p>In the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option.</p> <p>Regarding the substitution clause, a stronger consensus appears to be that for a Member State to access voting rights in relation to ACCs, the Member should make a core pledge for IFAD13 in an amount of at least 100 per cent of their most recent core contribution in nominal terms and in local currency. This threshold, combined with the provision of a lower level of voting rights (50%) compared to core contributions, is proposed as a sufficient mechanism to manage substitution risk.</p>
Brazil	<p>Brazil welcomes the revised proposal on Additional Climate Contributions (ACCs). We commend IFAD for its comparative advantage in implementing projects that connects climate action with smallholder</p>	<p>Management thanks Brazil for these comments and its support for IFAD’s work connecting climate action with smallholder agriculture.</p>

Country	Comment	Response/ Action Taken
	<p>agriculture, with a particular emphasis on adaptation. It is also worth noting IFAD's support for the sustainable utilization of biodiversity within rural ecosystems.</p> <p>In terms of eligibility, Brazil reaffirms its belief that the ACCs should be accessible to all Middle-Income Countries (MICs), including the Upper-Middle-Income Countries (UMICs). As developing countries, UMICs often still need to address significant income and regional inequalities. With this in mind, UMICs should be allowed to receive direct financing through the ACCs instead of benefiting through the BRAM. Since UMICs are BRAM-eligible, it would be necessary to establish a separate allocation procedure to enable UMICs to receive direct financing through the ACCs. The rationale behind this is our firm belief in the importance of involving specifically Brazil as a key participant in climate adaptation dialogues and initiatives to encourage sustainable practices that could significantly impact global climate efforts. We believe that cooperation with Brazil is beneficial for IFAD in tackling the diverse array of challenges presented by climate change. Addressing vulnerabilities due to the impacts of climate change and developing adaptation strategies is critical to protect indigenous and rural people and ecosystems affected by climate change. Likewise, innovative agricultural production practices can make Brazil's involvement instrumental in implementing replicable adaptation strategies. Moreover, climate change is a global challenge that requires coordinated efforts from all nations. In this regard, Brazil's active participation in climate adaptation efforts would contribute to ensure that collective solutions are developed and implemented globally. Regarding the governance aspects, in particular "voting rights", Brazil supports</p>	<p>Management would like to provide the assurance that UMICs will benefit from the creation of ACCs because an increase in core resources leads to higher leverage and hence increased availability of BRAM financing, which can be used flexibly by UMICs also to finance climate-related investments.</p> <p>It is important to highlight that with ACCs there is no direct pass through of funding as would be the case for supplementary resources where contributions are linked to specific projects and disbursements. ACCs become part of IFAD's core resources and are integrated in the overall financial framework of the replenishment. The increase in funding will allow IFAD to provide "climate top-ups" to PBAS-eligible countries in an amount equal to the level of ACCs received, as well as increased BRAM financing in an amount indicatively estimated at 30% of the value of ACCs received. The reason that "climate top-ups" are distinguished from the regular PBAS allocations is to enable IFAD to ensure that the amount of climate finance programmed as a result of ACCs is at least equal to the value of the ACCs, and to report it accordingly.</p> <p>The boost to BRAM resulting from ACCs is already integrated in the financial scenarios, based on the target level of ACCs in each scenario. BRAM-eligible countries will be able to access this increased financing with fewer restrictions on its use compared to climate-top-ups for PBAS-eligible countries, which must be used for 100% climate-related investments.</p> <p>However we recognize that this may not have been sufficiently clear in earlier versions of the document and additional clarifications have been integrated in the</p>

Country	Comment	Response/ Action Taken
	option 2 (50 votes per US\$158 million of contributions). Finally, Brazil reiterates its request to specify that contributions to ACCs will be voluntary.	<p>document to emphasize that UMICs will be able to access increased funds deriving from ACCs, through the existing BRAM and without additional earmarking.</p> <p>Management also assures Brazil of IFAD's strong commitment to work together with all Member States to support global climate efforts.</p> <p>Management confirms that option 2 (50% voting rights) has been maintained in the updated version of the ACC note provided in annex VII, in line with Brazil's preference, as this appears to be the consensus option. Management further confirms that the contribution of ACCs will be voluntary, as is the case for all IFAD replenishment contributions.</p>
China	China would like to appreciate that the management has incorporated the views of Member States in a timely manner and revised the document. After careful discussion, China believes that the 50% voting rights option needs a detailed elaboration in the rationale and measurement methodology. China strongly hopes that management will provide further explanation on this to facilitate future discussions among Member States at the follow-up session of the IFAD13 replenishment consultations.	<p>Management thanks China for these comments.</p> <p>With regard to voting rights, in the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option, justified on the basis that ACCs also contribute to IFAD core resources and equity, the need to manage substitution risk, and given the precedent established by the African Development Fund's Climate Action Window.</p>
Netherlands	<p>We would like to thank IFAD for the opportunity to comment on the new draft document regarding the Additional Climate Contributions as part of the IFAD13 replenishment consultations.</p> <p>The Netherlands is in favor of the ACC's being part of the core resources of IFAD. By ensuring that no</p>	<p>Management thanks the Netherlands for these comments, and the overall support for the ACC proposals.</p> <p>With regard to voting rights, in the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has</p>

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	<p>earmarking is possible with the contribution to the ACC and the reflows of the ACC will return to the core of IFAD, the Netherlands agrees that the ACC will truly be a part of the core resources of IFAD. The Netherlands therefore supports option 1 to allocate 100 votes per US\$158 million of contributions. We believe that the substitution risk is adequately addressed by expecting at least 100% equivalent of the core pledge to IFAD13 compared to the most recent replenishment contributions in nominal terms. The Netherlands supports the increase of the overall target from 40% to 45%, regardless of the establishment of the ACC and agrees with the explained complementarity and additionality of the ACCs. We also support a greater focus on climate adaptation and a focus on the most climate vulnerable countries that will benefit on grant or highly concessional terms. This focus aligns with the core mandate of IFAD.</p> <p>We also support IFAD in attracting climate finance from non-member countries and non-state actors, provided that this not influence the decision-making process and the existing governance. The right of making final decisions and governance of the ACC will fall exclusively under the responsibility of the Executive Board.</p> <p>Finally, we believe removing the threshold while maintaining a target of US\$100 is more realistic and underlines the long-term perspective of the ACCs.</p>	<p>been maintained (50% voting rights) as this appears to be the consensus option.</p>
Canada	<p>We would like to thank IFAD for this opportunity to provide comments on this new version of the proposal. Canada welcomes an increase of the climate target of the PoLG to 45%. We are also supportive of the ACCs, established as a new sub category of core resources, with the right governance rules in place. Canada supports option 1 given the differences between the</p>	<p>Management thanks Canada for these comments.</p> <p>In the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option.</p>

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	<p>proposed ACCs and the African Development Fund's Climate Action Window. For example, as noted by Switzerland, ACCs can be treated like core resources (without earmarking to specific countries, etc.) with reflows returning to core resources. Furthermore, non-member states will not be given any role in ACC governance. Canada is appreciative of the additional precisions provided on the proposed ACCs and we look forward to also receiving more information on the thematic CPL on climate that was proposed in the business model.</p>	<p>The IFAD13 CPL terms and conditions in annex V of the report have also been updated with regard to the possibility of thematic CPLs for climate.</p>
Italy	<p>We would like to thank Management for the revised document. With reference to paragraph 13 (Governance aspects) and in particular "voting rights" we support option 2 (50 votes per US\$158 million of contributions), in analogy with African Development Fund's Climate Action Window.</p>	<p>Management thanks Italy for these comments.</p> <p>In the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option.</p>
Switzerland	<p>We would like to thank IFAD for the new document and the additional thoughts. Switzerland is strongly in favor that the additional climate contributions (ACCs) will be part of IFAD's core resources and are integrated fully into IFAD's balance sheet, in order to provide predictable additional climate financing for countries. The complementarity to ASAP+ has been well outlined and the additionality of the ACCs is well described. Raising the target to 45% climate finance on the IFAD programme of loans and grants is most appreciated. Since IFAD clearly points out that ACCs would be established as a new subcategory of additional contributions to the fund as with core contributions and eventual reflows would be</p>	<p>Management thanks Switzerland for these comments.</p> <p>In the updated version of the ACC note provided in annex VII, option 1 has been removed (100% voting rights for ACCs) and option 2 has been maintained (50% voting rights) as this appears to be the consensus option.</p>

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	considered part of IFAD's normal core resources, we support option 1 (100 votes per US\$158 million of contributions). We further support the adjustment on the additionality rule regarding the substitution risk. Removing the threshold to establish the ACC instrument underlines the long-term orientation of the ACCs.	