
Summary of the Chairperson: Third Session of the Consultation on the Thirteenth Replenishment of IFAD's Resources

Document: IFAD13/3/INF.5/Rev.1

Date: 5 December 2023

Distribution: Public

Original: English

FOR: INFORMATION

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Summary of the Chairperson: Third Session of the Consultation on the Thirteenth Replenishment of IFAD's Resources

1. Members of the Consultation on the Thirteenth Replenishment of IFAD's Resources (IFAD13), IFAD Management and staff, observers and guests met in Rome and virtually on 2 and 3 November to discuss the draft IFAD13 Report, including the draft IFAD13 Results Management Framework (RMF) and the draft IFAD13 Resolution.
2. In his opening statement the President of IFAD highlighted the urgency of moving towards action, as well as the importance of an ambitious replenishment to increase impact for small-scale farmers and impoverished rural women and men. This was echoed by most Member States during the discussions, and a number of delegates announced the intention of their governments to significantly raise their contributions to IFAD13 or reiterated contributions already made, including Congo, Côte d'Ivoire, France, Mali, Norway and Spain. The External Chair, Mr Kyle Peters, highlighted the progress already made during the IFAD13 Consultation at the sessions held in February and June and during informal meetings in April and September. Mr Makhtar Diop, Managing Director of the International Finance Corporation (IFC), shared a video statement highlighting the importance of increased private sector focus on smallholder agriculture and rural areas, and the complementary roles of IFAD and IFC and the potential for greater partnership in IFAD13.
3. Representatives of the World Bank International Development Association, the African Development Fund and the Asian Development Fund attended the session remotely as silent observers. The European Commission also followed the session as silent observer in person.
4. The agenda was adopted with no amendments.

A. Report of the Consultation on the Thirteenth Replenishment of IFAD's Resources

a. Draft Report of the Consultation on the Thirteenth Replenishment of IFAD's Resources

5. Management made a comprehensive presentation of the updated draft IFAD13 Report. Members highlighted the quality of the documents, and expressed appreciation for the efforts made by Management to integrate the comments and feedback given at the informal seminar in September, and through the e-consultation process.

Operational and institutional aspects
6. Delegates reiterated their support for the overall focus of IFAD13 on strengthening rural resilience and investing in food security, as well as the three priority areas of fragility, climate and biodiversity, and private sector engagement.
7. During the discussion, delegates welcomed the details provided on IFAD's renewed approach to fragility and the principles for engagement. Some delegates requested greater clarity on the approach and definitions used for fragility, including the need to ensure IFAD's activities are focused on situations of fragility wherever they were identified. Many Member States also explicitly welcomed IFAD's ambition to intensify its partnerships with the United Nations Rome-based agencies, multilateral development banks (MDBs), international financial institutions (IFIs) and, importantly, local actors such as civil society and the private sector, including for increased collaboration on diagnostics. Management also highlighted the key role that IFAD as a United Nations agency and IFI can play in bridging the exchange on

- the humanitarian-peacebuilding nexus. Many delegates welcomed IFAD's commitment to raise the minimum financing to fragile contexts to 30 per cent.
8. Regarding climate and biodiversity, many Member States noted the disproportionate impact of climate change on rural communities, farmers and Indigenous Peoples. As such, many delegates welcomed the increase in the target for climate finance to 45 per cent. In a context of accelerated climate change, members also highlighted the importance for IFAD to address water insecurity, including within the report, given its critical link to agriculture and food production.
 9. The introduction of additional climate contributions (ACCs) as reflected in the updated annex to the report was discussed extensively, in particular regarding voting rights. Some members raised concerns about the proposed allocation of voting rights for ACCs and the potential impact on the distribution of voting rights across Lists. Members expressed appreciation for the proposed measures to manage substitution risk. Some members raised questions regarding how middle-income countries would benefit from the ACCs and Management further elaborated on how ACCs were a form of new core contribution that would increase resources for all countries through both the performance-based allocation system (PBAS) and the Borrowed Resource Access Mechanism (BRAM). Some Member States asked questions about the legal basis for establishing new forms of replenishment contributions and Management confirmed that while individual countries may not earmark or restrict use of the contributions, the Governing Council may decide to create new forms of contribution, as it has done in the past, defining the terms and conditions for those contributions and how they will be used, and Member States may then chose to provide contributions based on this agreement.
 10. Many Member States expressed support for enhancing the engagement with the private sector during IFAD13, and delegates looked forward to discussions on the updated strategy for private sector engagement at the Executive Board.
 11. Delegates also made a number of suggestions on IFAD's mainstreaming themes, including strengthening gender language and targets. Some delegates suggested introducing a commitment to develop a new gender action plan during the IFAD13 implementation period, and Management agreed. In response to the feedback from some members, Management will incorporate IFAD standard language on gender, as reflected in various Executive Board approved policies, strategies and action plans, together with the newly adopted multilaterally agreed language of the United Nations Committee on World Food Security (CFS) Voluntary Guidelines on Gender Equality and Women's and Girls' Empowerment in the Context of Food Security and Nutrition.
 12. Regarding nutrition, many Member States expressed concern about the decrease in the impact target and indicated that they would welcome greater ambition, as well as clarifications on the discrepancy in IFAD's impact targets between income, food security and improved nutrition. Some delegates also raised the issue of the disconnect between the number of projects that are nutrition-sensitive and the nutrition impact target. Management also confirmed that a new nutrition action plan would be developed for IFAD13 once the current one expires, and that this would be included as a new commitment.
 13. Delegates indicated that they would appreciate more references and greater ambition on social inclusion within the IFAD13 framework and some delegates requested clarifications on the definitions for gender- and youth-sensitive investments within the report.
 14. Delegates welcomed the increased ambition to invest 45 per cent of core resources in low-income countries, and to increase core resources for fragile situations to at least 30 per cent. Some members asked whether it would be possible to increase

the targets for allocations to Africa and sub-Saharan Africa. Management agreed to include an increased ambition of 60 per cent of core resources for Africa, while ensuring a minimum of 55 per cent.

15. Member States were supportive of the cofinancing targets and appreciated that they reflected increased cooperation and collaboration across the donor community. During the discussion, Management agreed to further increase the cofinancing target from 1:1.6 to 1:1.7, compared to 1:1.5 in IFAD12, to reflect its deepening partnerships with MDBs and other international partners.
16. Regarding IFAD's capacity to deliver and its institutional efficiency and effectiveness, many delegates commended IFAD for the improvements made in this area and reiterated the need to continue to focus on this as a priority in IFAD13. Some Member States expressed support for efforts to use more programmatic approaches, further strengthen and utilize country systems, and expand the use of results-based lending, based on pilots so far.
17. A number of Member States requested the inclusion of IFAD's commitment on multilingualism in the IFAD13 Report and asked about the feasibility of including an appropriate indicator. Management responded that it would consider including commitments relating to multilingualism in the context of the diversity, equity and inclusion framework. Many Member States also emphasized the importance of making available all documents in all languages in a timely manner.
18. On the question of small island developing states, delegates welcomed the inclusion of a paragraph and suggested moving this reference to the chapter on climate and biodiversity along with wording to further refine the text.

Financial framework

19. During the discussion on the financial framework delegates expressed their aspirations for a robust IFAD13 given the urgent need. Member States also welcomed Management's clarification on the assumptions for leverage in the scenarios, assumed inflation rates and the cofinancing of non-sovereign operation (NSO) investments. Several Member States supported IFAD's efforts to respond to the G20 recommendations on MDBs on balance sheet optimization and capital adequacy. In this regard, delegates welcomed Management's indication that IFAD's progress on borrowing and options for the future will be reviewed at the Executive Board in 2024, guided by Member States and building on a prudent approach.
20. Many delegates expressed the overall aspiration for a robust IFAD13, but at the same time recognized the constraints faced by many Member States. Nevertheless, a number of Member States expressed support for the highest scenarios in their interventions. Management reiterated its call to members that the current times require ambition, which is reflected in scenarios B and C, and called upon members to consider these scenarios when convening for the pledging session in December.

b. Results Management Framework

21. The Consultation also discussed the Independent Office of Evaluation of IFAD review of the IFAD12 RMF and the draft IFAD13 RMF. Member States particularly welcomed the rigour and quality of IFAD's reporting, and results and impact measurement, as well as the strong independent evaluation function at IFAD.
22. Many members welcomed the streamlining of the IFAD13 RMF, as well as the increased focus on tier II impact level indicators. Delegates, however, also made numerous suggestions for including or removing indicators from the current draft while a number of Member States also cautioned that the number of indicators reported on in the RMF needed to be balanced with the workload and resources required by IFAD staff and Management, governments and implementing partners.
23. Suggestions for new, expanded or revised indicators were made on issues including agroecology, carbon capture, gender, women's and girls' equality, gender and

nutrition, disability, social inclusion, cofinancing (including cofinancing of NSOs), resource allocation, multilingualism, South-South and Triangular Cooperation and innovation. Some delegates also raised questions on the methodology underlying RMF indicators, including the disaggregation of data, use of indicators collected by national research institutions and baseline data used to establish targets. Management will examine the suggestions and will further update and refine the IFAD13 RMF for final approval at the next session.

c. IFAD13 Resolution

24. The Consultation also discussed the draft IFAD13 Resolution, with individual members enquiring on changes introduced compared to the IFAD12 Resolution. In addition, Management provided clarifications on reaching effectiveness of IFAD13.
25. On the provisions regarding ACCs in the resolution, some Member States reiterated their concerns about the allocation of voting rights for such contributions. Members discussed the consequences of so doing, and various members made suggestions to resolve the concerns, including by considering compromises to cap the allocation of voting rights for ACCs, an option to create ACCs without the allocation of voting rights, and the proposal to revisit any agreement by the Consultation during discussions on IFAD14.
26. In the end there was agreement that Management would organize a follow-up discussion on the ACC instrument in the next few weeks with the objective of reaching an agreement before the fourth session.

B. Concluding statements

27. In his closing remarks, IFAD's President thanked Member States for the constructive dialogue, reiterated the need to focus on scenarios B and C and underscored the importance of reaching consensus on the pending issues in the coming weeks, including on ACCs. The Chair summarized the key highlights from the discussion, outlined next steps and thanked Member States, the interpreters, and IFAD Management and staff for their contributions to the success of the third session. In closing, Management confirmed that an additional meeting to refine the proposal on ACCs would take place on 21 November 2023.