IFAD13: Building Rural Resilience for a Food Secure Future

Third Session of the Consultation on the Thirteenth Replenishment

2-3 November 2023
Now is the time to act and IFAD is ready

Driven by results and impact

World’s fund for transforming agriculture, rural economies and food systems

Partner of choice

Assembler of Finance

Pioneer of locally led development

= IFAD13 project durations based on average length of 6 years

NOTES: * Projections based on nowcasts for 2022 are illustrated by dotted lines. Bars show lower and upper bounds of the estimated range.

IFAD13 project durations based on average length of 6 years

2023

2025

2027

2033

Prevalence of undernourishment (percentage, left axis)
Number of undernourished (millions, right axis)
IFAD13: Invest in a Food Secure Future

- IFAD13 offers an effective framework for investing in rural resilience for a food secure future.
- Focus on IFAD’s core mandate, including through empowering women and youth, and improving food security and nutrition.
- Focused on addressing three key interconnected challenges of increasing fragility, climate change, and inadequate private sector investment.
### Priority areas to respond to global challenges and opportunities

**Fragility**
- Sustainable and natural resource management
- In partnership with RBAs, IFIs, MDBs, and other UN entities
- Boosting women’s role
- Working with local institutions and communities
- Focused on food and nutrition security

**Climate & Biodiversity**
- Raise climate finance target from 40% to at least 45%
- New policy on climate, environment and biodiversity, and roadmap for Paris alignment
- Create ACCs as channel for 100% climate finance contributions
- Integrated programmatic approach to climate operations

**Private Sector**
- I. Enabling
  - De-risking investments
- II. Catalyzing
  - PoLG and PSFP instruments
- III. Assembling
  - PSFP instruments and convening power

IFAD adds value in fragile situations
Targeting for nutrition and promoting diversified local food production, and consumption.

Strengthen youth employment and youth participation in decision making.

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

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

Working with community-based organizations to promote inclusive development.

Inclusivity: Leave no one behind.
Integrated country programmes for impact

Integrated Investments + Policy & Knowledge × Adaptive Management = Amplified Impact

- BRAM
- ASAP+
- PBAS + Climate Top-Ups
- Expanded PSFP
- Other Cofinancing
- Supp Resources

Policy Engagement
Partnerships & SSTC
Knowledge & Innovation

Flexibility
Proactivity
Proximity

Goal: increased income
SO1: increased production
SO2: increased market access
SO3: greater resilience
SO4: improved nutrition

Sustainability and scalability of investments
New instrument to boost climate impact

Additional Climate Contributions
(example: US$100 million)

PBAS Climate-top ups
(US$100 million)

Increased BRAM
(approx. US$30 million)

Key Features:

➢ Fully voluntary form of additional replenishment contribution
➢ Boost core resources and IFAD equity
➢ Increase PBAS and BRAM funding
  Fully integrated in IFAD projects and EB approval processes
➢ Normal lending terms applied
➢ To manage substitution risk contributors to make core pledge equal their last replenishment contribution, in order to receive 50% voting rights for ACCs
IFAD13 consolidates and builds on recent reforms and initiatives (e.g. project efficiency action plan)

- Focus on operational delivery and project efficiency
- Optimizing resource use and prioritization and streamlining budgeting
- Enhancing capacity and workplace culture

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

Crowding-in public and private resources through and integrated programme of work (PoW) to maximise impact for LICs & LMICs and ensuring universality

IFAD13 core funding:

- Core Replenishment Contributions
- Concessional Partner Loans grant element
- Climate Additional Contributions

Programme of Work

Programme of Loans and Grants
### IFAD13 Financial Scenarios

#### Impact Simulations

<table>
<thead>
<tr>
<th>PoW (US$ million)</th>
<th>A</th>
<th>A+</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact (number of people [in millions] with)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased income / positive economic mobility (SDG 2.3 &amp; 1.2)</td>
<td>87-93</td>
<td>94-100</td>
<td>98-104</td>
<td>103-110</td>
</tr>
<tr>
<td>Increased production (SDG 2.3)</td>
<td>71-75</td>
<td>76-81</td>
<td>79-84</td>
<td>83-89</td>
</tr>
<tr>
<td>Increased market access (SDG 2.3)</td>
<td>73-77</td>
<td>79-84</td>
<td>81-86</td>
<td>86-91</td>
</tr>
<tr>
<td>Greater resilience (SDG 1.5)</td>
<td>43-46</td>
<td>47-50</td>
<td>48-51</td>
<td>51-54</td>
</tr>
</tbody>
</table>

*Based on IFAD10 Impact Assessment results*
Ensuring universality and maximising resources to those most in need

100% of core resources will be channelled to LICs and LMICs
- LICs will receive at least **45%** of core resources

At least **11% and up to 20%** of total resources will be allocated to UMICs through BRAM

➢ **55% of core** resources allocated to Africa, including 50% to sub-Saharan Africa

➢ **At least 30% of core** resources to FCAS

Only B and C compatible with ambition for US$10bln PoW, substantial real increase in support for countries in debt distress, and doubling impact by 2030
### IFAD13 Scenarios

<table>
<thead>
<tr>
<th>Contributions</th>
<th>IFAD 12</th>
<th>A</th>
<th>A+</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total new replenishment financing</td>
<td>1 350</td>
<td>1 530</td>
<td>1 825</td>
<td>2 005</td>
<td>2 240</td>
</tr>
<tr>
<td>Core Contributions</td>
<td>1 257</td>
<td>1 380</td>
<td>1 500</td>
<td>1 655</td>
<td>1 790</td>
</tr>
<tr>
<td>Additional Climate Contributions</td>
<td>93</td>
<td>150</td>
<td>150</td>
<td>200</td>
<td>250</td>
</tr>
<tr>
<td>Concessional Partner Loans</td>
<td>93</td>
<td>150</td>
<td>175</td>
<td>200</td>
<td>250</td>
</tr>
<tr>
<td>IFAD13 replenishment target</td>
<td>1 433</td>
<td>1 711</td>
<td>1 875</td>
<td>2 078</td>
<td></td>
</tr>
<tr>
<td>Total PoLG</td>
<td>3 350</td>
<td>3 240</td>
<td>3 510</td>
<td>3 640</td>
<td>3 850</td>
</tr>
<tr>
<td>Total PoW</td>
<td>8 180</td>
<td>8 535</td>
<td>9 220</td>
<td>9 540</td>
<td>10 080</td>
</tr>
<tr>
<td>Goal: Millions of people with increased income</td>
<td>86 - 93</td>
<td>87 - 93</td>
<td>94-100</td>
<td>98 - 104</td>
<td>103 - 110</td>
</tr>
</tbody>
</table>

Increased grant element across all scenarios ensures increased concessional support to the poorest countries.
**Ambition for impact**

Invest today to end poverty, hunger and limit damages from climate change.

IFAD’s ambition is to impact lives for over 100 million rural people.

*Women sift rice, IFAD project Madagascar*
Thank you