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Enabling poor rural people
to overcome poverty

Closing statement of the Chairperson

Consultation on the Eighth Replenishment of IFAD's
Resources — Second Session
Rome, 22-23 April 2008

For: **Information**

Distinguished Delegates,

Let me now briefly sum up our deliberations over the past two days of this session of the Consultation on the Eighth Replenishment of IFAD's Resources (IFAD VIII). The discussions were rich and productive, allowing us to finalize our schedule of work for the remaining three sessions of the Consultation.

We were fortunate to begin the session with a presentation by Joachim von Braun, the Director General of the International Food Policy Research Institute (IFPRI), on poverty, climate change, rising food prices and small farmers. Professor von Braun's participation in IFAD's Consultation is an example of the synergies we have achieved through our IFAD-IFPRI partnership in policy innovation and communication. Professor von Braun noted the ongoing and new forces driving up food prices, including income growth, biofuels, climate shocks, and the lack of supply response. He confirmed that IFAD had an important role to play in the international effort to address these challenges. Of particular note, according to IFPRI's estimates, an additional investment of US\$25-30 billion per annum in agricultural production is required over the next ten years, if we are to meet the first Millennium Development Goal. Many members welcomed this timely and pertinent discussion, and encouraged IFAD to participate actively in a coordinated international response to the situation, guided by the mandate articulated in the Fund's Strategic Framework 2007-2010.

The Consultation considered the document *Meeting the challenge by delivering results: IFAD 2010-2012*, which provided the basis for a discussion of relevant issues and resource requirements for the Eighth Replenishment period. To further facilitate discussion, presentations were provided on IFAD's role in addressing the triple scourge of persistent rural poverty, climate change, and rising food prices, the Fund's programme priorities in 2010-2012, and financing requirements. It is widely recognized that substantially higher levels of investment in agricultural and rural development will be needed to achieve the poverty and other Millennium Development Goals. In light of the reforms IFAD has undertaken in the past few years and the enhancement of its country-level and project development processes, IFAD has the capacity to deliver a US\$3.0 billion programme of work between 2010 and 2012. On the basis of a prudent use of its internal resources, this level of programme of work would require a replenishment of US\$1.2 billion.

Members broadly welcomed the document, while requesting greater detail on a number of issues, including country ownership, human resource management and financial issues, which I will return to below.

The announcement by the Kingdom of Saudi Arabia of its contribution of US\$50 million to the Eighth Replenishment of IFAD's Resources was warmly welcomed by the Consultation. The Kingdom's contribution represents a fivefold increase over its contribution to the previous replenishment. The People's Republic of Bangladesh announced a pledge of US\$600,000, which is a demonstration of the value borrowing Member States place on their partnership with IFAD.

Drawing on the discussion of the *Meeting the challenge by delivering results: IFAD 2010-2012* and a list of issues provided, the Consultation agreed on a schedule of work for the July, October and December sessions. These issues are appended.

It should be noted that the possibility of holding the fourth session on 21-22 October 2008 will be discussed with Convenors and Friends.

I would like to thank you all for your active participation. I would also like to once again express our collective appreciation for the strong support provided by Saudi Arabia and Bangladesh, which I hope will be a source of inspiration for Members.

I wish you all a safe journey home.

Sequence of topics to be considered by the Consultation on the Eighth Replenishment of IFAD's Resources

Third session (July 2008):

Oral briefing on new operating model and human resources reform

Results and impact

Sustainability and country ownership

Brief on IFAD's response to the food price increases

Financial issues

Draft outline of the Report of the Consultation on the Eighth Replenishment of IFAD's Resources, including outline of results framework

Fourth session (October 2008):

Climate change

Gender and empowerment of women

IFAD's role in middle income countries

Private sector/new instruments

PBAS

Fragile states

Partnerships, including harmonization and One UN

Draft Report of the Consultation including results framework

Fifth session (December 2008):

Report of the Consultation including results framework

Draft resolution on the Eighth Replenishment of IFAD's Resources

Issues to be addressed in the Report of the Consultation:

Consolidation of reforms

Knowledge management and innovation (strategies recently approved by the Executive Board)

Differentiated approaches

Disclosure of documents

Procurement

Development of a natural resource management strategy

Under consideration by the Board:

Strengthen Audit function

Procurement

Review of grants policy (Executive Board December 2009)

Budget transparency and PDFF