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Report of the Consultation on the Eighth Replenishment of IFAD's Resources

Consultation on the Eighth Replenishment of IFAD's Resources — Fifth Session Rome, 18-19 December 2008

For: **Approval**

Report of the Consultation on the Eighth Replenishment of IFAD's Resources

The Consultation is hereby requested to consider the revised paragraphs shown herebelow for inclusion in the report.

F. Climate change

- 67. Over the past 30 years, IFAD has worked to assist poor rural people living in marginal or unfavourable agro-ecological conditions to manage their natural resources more sustainably, increase their agricultural productivity, and reduce their vulnerability to climatic shocks. In recent years the need for a more explicit climate change focus has become increasingly apparent; indeed IFAD's support for projects can only be effective if the impact and potential impacts of climate change are fully taken into account in their design and implementation. Many projects now do provide support to enable poor rural communities to adapt to the effects of climate change; IFAD also has some limited experience of helping such communities benefit from mitigation activities. IFAD's operating model provides for a range of new instruments and processes which are increasingly being used to ensure that in country strategies, project design and implementation and national policy dialogue, attention is systematically given to issues of climate change. These include IFAD's safeguard procedures for environmental management and sustainable development (see paragraph 36).
- 68. IFAD's international policy engagement so far has been mainly through the mechanisms of the United Nations Framework Convention on Climate Change (UNFCCC). It has fitted within a coordinated United Nations system response, and it has focused especially on highlighting the needs of poor rural communities in adapting to climate change and the opportunities they offer for contributing to mitigating its effects. IFAD is working with a range of partners, including the Global Environment Facility (GEF); the UNFCCC's Nairobi work programme on impact, vulnerability and adaptation to climate change; the Global Mechanism of the United Nations Convention to Combat Desertification (UNCCD), which is hosted in IFAD; the other Rome-based agencies, FAO and WFP; and the CGIAR and its research centres.
- 69. The consultation concluded that IFAD must further strengthen its engagement in climate change issues, as a key means to enabling poor rural women and men to overcome poverty. Specifically, IFAD will:
 - Build on the achievements realized so far, and ensure that IFAD
 activities at the country level are consistently and systematically built
 upon an awareness of the potential effects of climate change, and that
 wherever appropriate climate change adaptation is incorporated into
 project designs, in a manner that is consistent with national policies and
 supports governments to deliver their climate change objectives.
 - In order to facilitate adaptation in vulnerable countries, give more emphasis in project designs to capacity development in the areas of risk preparedness, diversification of livelihoods, natural resources management, and improvement and implementation of agricultural techniques and technologies.
 - Develop a corporate strategy on climate change, to be presented to the Executive Board for approval by April 2010. The strategy will include a study on ways of ensuring that IFAD responds speedily, appropriately and in line with its mandate in countries where recurrent climate-related hazards hamper programmes and projects supported by IFAD. The

strategy will have a strong operational focus: it will draw on IFAD's current and past experience with both adaptation and mitigation, and on the practices and strategies of other development organizations, and it will serve to ensure a common understanding on key climate change issues and guide their full integration into both IFAD operations and its advocacy work.²⁰

- While maintaining its focus on its mandate and comparative advantage, complement its core resources by being open to additional funding that would enable it to scale up its engagement in climate change issues and to meet the additional costs that climate-related challenges impose on investments in development.
- Work with partners to (a) support the development of a post-Kyoto regime that takes account of the concerns of poor rural communities, especially women, and including indigenous peoples, and enables their organizations to have a voice in its design; and (b) work with these communities to benefit from the new regime once it is in place.

The strategy will draw on the forthcoming OECD DAC guidelines on integrating climate change adaptation into development cooperation. It will also refer to the Hyogo Framework for Action 2005-2015: Building the resilience of nations and communities to disasters (HFA), to ensure that disaster risk mitigation is mainstreamed into IFAD operations, wherever relevant. ..