



ADAPTATION FUND

05 February 2026

Adaptation Fund Board

Accreditation Panel Recommendation on the Regular Re-accreditation of the International Fund for Agriculture (IFAD) as a Multilateral Implementing Entity (MIE) of the Adaptation Fund

Having reviewed the re-accreditation application of the ***International Fund for Agriculture (IFAD)***, the Accreditation Panel recommended that IFAD be re-accredited as a Multilateral Implementing Entity (MIE) of the Adaptation Fund.

A summary of the review is presented in Annex I below.

Re-accreditation Decision:

Having considered the recommendation of the Accreditation Panel, the Adaptation Fund Board decided to re-accredit the ***International Fund for Agriculture (IFAD)*** as a Multilateral Implementing Entity (MIE) of the Adaptation Fund for five years, as per paragraph 39 of the operational policies and guidelines for Parties to access resources from the Adaptation Fund. The accreditation expiration date is 05 February 2031.

Decision B.45-46/13

ANNEX I

REPORT OF THE ACCREDITATION PANEL ON AN ASSESSMENT OF THE INTERNATIONAL FUND FOR AGRICULTURE (IFAD) FOR 3RD TIME RE-ACCREDITATION AS A MULTILATERAL IMPLEMENTING ENTITY (MIE) OF THE ADAPTATION FUND

Background

The International Fund for Agriculture (IFAD) was initially accredited with the Adaptation Fund in June 2010, re-accredited in February 2016, and re-accredited in December 2020 for the second time under the fast-track modality in December 2020. Since initial accreditation with the AF, the Fund has received funding for 23 projects for a value of over USD 200 million, with two projects approved before 2019 and the remainder approved since. None of these has been completed.

The Applicant

IFAD is uniquely both a UN Specialized Agency and an international finance institution (IFI), thus straddling both worlds of development assistance. IFAD is financed through the replenishment of its resources by members and increasingly by loan repayments. Its portfolio of ongoing projects in 2022 reached USD 7.89 billion. In addition, after being rated by two Agencies in 2022, IFAD has started issuing Bonds, which will allow the Organization to further enhance its impact.

IFAD's agenda and investments help support smallholder agriculture development and rural transformation in developing countries. Under its current Replenishment Cycle - IFAD 13, the applicant's four strategic objectives are ever more relevant for climate adaptation activities: enhanced focus on fragile contexts; investing in biodiversity and climate resilience of small-scale producers; increasing engagement with the private sector and ensuring inclusivity to "leave no one behind".

IFAD's strategic plan, known as the Strategic Framework 2016–2025, outlines the organization's overarching goals and objectives for transforming rural communities and reducing poverty. It focuses on increasing the productive capacity of poor rural people, enhancing their market participation, and strengthening the environmental sustainability and climate resilience of their economic activities. The plan also emphasizes the importance of private sector engagement and innovation in rural development. A new strategic plan starting in 2026 and linked to Replenishment Cycle 14 is under preparation.

Green Climate Fund (GCF) Accreditation

IFAD received GCF fast-track accreditation in October 2016, without conditions, based on prior AF and Global Environment Facility accreditation. The 2023 assessment for reaccreditation came with several conditions (improved whistle-blower and reporting, complaints management) that were reported to have been met by mid-2025. IFAD is currently implementing 13 GCF-funded projects, for a value in excess of USD 1.3 billion, including co-funding provided by IFAD in the form of loans and/or grants, at various stages

of progress. No project has been completed at the time of issuing this report, and there are no mid-term or terminal evaluations available.

Scope of Assessment for Re-Accreditation

The Assessment for regular third-time re-accreditation was conducted on the criteria reflected in the Fund's Operational Policies and Guidelines and as adopted in Board Decision B.34/3 on 11 October 2019 based on AFB/B.34/5 on re-accreditation; Decision B.31/26 (use of external sources as complementary information) based on AFB/B.31/7/25 of March 2018); and Decision B.32/36 (Accreditation standards related to anti-money-laundering/countering the financing of terrorism) based on AFB/EFC.23/4 of September 2018.

The assessment was based on the completed application form submitted and the relevant supportive documents provided, a review of Quality-at-Entry of ongoing Adaptation Fund projects and their implementation, as well as on the responses by IFAD to the inquiries of the Panel, and several online meetings. Project completion and evaluation competencies were assessed as none of the 23 ongoing IFAD projects had reached the closure phase at the time of reaccreditation. To ensure the Panel had a comprehensive view, this was complemented by an extensive review of other documents obtained from their website, third-party reviews by the Multilateral Performance Network (MOPAN, 2024), GCF (2023), the Center for Global Development (2021), external quality reviews of the internal audit and evaluation functions, independent evaluations of IFAD projects and policies, and those of other related international institutions.

Summary assessment

Legal status

This criterion continues to be met. Under the international agreement establishing the Fund, it has established its own legal personality, it is capable of receiving funds directly, it has legal authority to enter into agreements with international organizations, and it has legal capacity to serve as a plaintiff or defendant before a Court of Law. Recent amendments to the 'Agreement Establishing IFAD' do not affect its legal status. The applicant also continues to have the necessary legal personality and capacity to receive and execute donor funding and to enter into agreements with international organizations.

[Policies and procedures, screening and decision making related to anti-money laundering/countering the financing of terrorism \(AML/CFT\) on disbursements, procurement, and handling instances of non-compliance with policies and procedures, and laws.](#)

This criterion is met. The Panel concluded that the applicant displayed a strong all-of-organization commitment and engagement, which is clearly reflected in the 2023

updated AML/CFT policy, which aims at safeguarding the Fund operations, ensuring alignment and compliance with international standards and best practices. The applicant provided evidence of effective implementation of the policy, well-documented its Know-your-Customer procedure for all vendors, including staff, and demonstrated continuous screening against sanctions lists. The applicant's procurement policies and procedures comprehensively cover AML/CFT risks and provisions. AML/CFT is a prohibited practice and therefore covered by the 2018 Anti-Fraud Policy, which contains investigative processes and responsibilities.

Financial statements, including project accounts statement and provisions for Internal and External Audits

This criterion continues to be met. The applicant prepares its consolidated financial statements in accordance with the International Financial Reporting Standards. Recent financial statements were audited by IFAD's competitively selected external auditor in line with the International Standards for Auditing; they were unqualified and reflected a going concern basis. There is an internal audit service that works in accordance with the global internal auditing standards. A board-appointed audit committee oversees a range of oversight topics and their implementation.

Internal Control Framework with particular reference to control over disbursements and payments

This criterion continues to be met. An updated internal control framework is underpinned by an accountability framework, solidifying internal controls in the organization and setting clear core principles for enforcing accountability; independent internal and external assessments have confirmed it is functioning well, pointing to opportunities to enhance risk management maturity. The applicant has a suite of IT tools and systems in place to support its operations and activities, and more specifically, payment and disbursement procedures, that are at the core of its business. An online portal facilitates disbursements to borrowers.

Preparation of Business Plans and Budgets, and the ability to monitor expenditure in line with budgets

This criterion continues to be met. IFAD has in place a Strategic Framework 2016 – 2025, which underpins the replenishment exercises taking place every three years. A new framework is under discussion by the Membership anticipated to start in 2026, in combination with the next replenishment exercise. The business model of IFAD and the different sources of revenue do not question financial solvency.

Procurement

This criterion continues to be met. An end-to-end procurement reporting system has strengthened procurement oversight. Its corporate and project procurement guidelines, which were updated in 2019, continue maintaining the principles of fairness, integrity, and transparency in all procurement transactions.

Project Closure and Final Evaluation

This criterion continues to be met. IFAD has well-demonstrated experience preparing technically sound project closure reports as a standard practice, demonstrated track record overseeing the execution of the projects it funds, and a well-staffed and internationally well-recognized independent evaluation function.

Policies and Framework to deal with fraud, financial mismanagement, and other forms of malpractice

This criterion continues to be met. IFAD has explicitly stated zero tolerance towards prohibited practices on its external website. While mismanagement as such is not spelled out, financial agreements with borrowers and recipients clearly articulate consequences for mismanagement of funds received from IFAD; the staff code of conduct establishes key guiding ethical principles and requires managers to be accountable for complying with all policies and procedures. IFAD has improved its policies and procedures to deter, detect, and respond to financial mismanagement internally and in relation to the activities and projects it is financing. There are clear anti-fraud policies applying internally and to borrowers/grantees and any sub-recipients of funds. IFAD has mechanisms to monitor compliance with the policies, reporting channels to receive complaints or other information about possible violations of the policies, and processes in place for handling complaints. It has a whistleblower protection policy in place that meets current international good practice. IFAD continues to maintain an internally independent investigation function, which adheres to the international guidelines of the conference of investigators for international financial institutions, UN agencies, and other multilateral organizations. It provided evidence that the function is active and that where prohibited conduct is found, there are disciplinary and sanctioning processes implemented for staff and third parties, respectively.

Commitment by the entity to apply the Fund's Environmental and Social Policy (ESP) and Gender Policy

This criterion continues to be met. IFAD has strengthened its comprehensive system for Social, Environmental and Climate Assessment Procedures (SECAP) built around its commitment to ensure that environmental, social, and gender risks are addressed in all its operations and by all its loan recipients. The updated SECAP policy and framework have not been further aligned with the AF ESP. At the same time, guidance and oversight

have been strengthened through coverage in country programme audits and supervision missions. Differences between the SECAP and the AF ESP are addressed, to a large extent, during project design, monitoring, and reporting, although room for improvement exists, for instance, through the development of standard operating procedures to ensure AF-compliant environmental and social risks identification and management.

[Mechanism to deal with complaints on environmental and social harms and gender harms caused by projects/programs.](#)

This criterion continues to be met. IFAD has ramped up its grievance mechanisms both at headquarters and project level, with clear mechanisms, accountability, and reporting. A new complaints procedure outlines clear, transparent, and effective procedures for complaints mechanisms and handling, both at project/country and organization levels. Project GRMs have been set up for all AF-projects as part of IFAD's SECAP; the Panel was provided with reassurance that all AF safeguarding provisions would be fully reflected.

[Status of quality-at-entry \(QAE\) and implementation of AF funded projects](#)

The Panel had the QAE of a sample of the approved projects assessed and found that there has been a positive learning curve with AF project submissions requiring clarification of cost effectiveness and adaptation rationale, ESP and GP compliance, implementation arrangements, and stakeholder engagement. The quality of submissions has improved over time, due to a better understanding of AF expectations and processes and to continuous engagement with the AF Secretariat.

Regarding project implementation performance, the data reviewed by the Panel on the AF website showed mixed performance to date. Many projects have encountered delayed implementation, with several delays affected by the pandemic and a difficult start-up phase. More recently, delays have been reduced, but overall performance requires continued attention. Similar concerns were raised in third-party reviews consulted by the Panel. The applicant has acknowledged the difficulties and has put measures into place to strengthen its monitoring of the portfolio, and recent examples show improved key performance indicators.

Conclusion

Based on the results of the Panel's assessment of the application, it is concluded that IFAD continues to meet the standards and criteria required for regular re-accreditation. The Panel recommends that the Adaptation Fund Board consider re-accreditation of IFAD as a Multilateral Implementing Entity of the Adaptation Fund.