



# THE FINLAND-IFAD PARTNERSHIP



## ABOUT IFAD

An international financial institution and a United Nations specialized agency, IFAD is dedicated to eradicating rural poverty and hunger in developing countries. The Fund is one of the largest sources of financing for agriculture and rural development in the world's poorest countries.

**Total IFAD loans and grants\***  
US\$24.6 billion

**Total domestic contributions**  
US\$20.3 billion

**Total cofinancing**  
US\$15.1 billion

**Total programme and project cost**  
**US\$60 billion** (1978-2022)

\*Includes Debt Sustainability Framework grants but excludes other grants and some special initiatives

IFAD and Finland share a vision of a world without poverty and hunger. At a time of cascading global crises and mounting vulnerability to climate change among the world's poorest people, the partnership between IFAD and Finland is committed to a mutual focus on supporting resilient, inclusive and sustainable food systems that can break the cycle of crises and enable small-scale farmers to improve their livelihoods.

Finland is closely engaged in creating the building blocks for IFAD's financial innovation and sustainability. In fact, strategic guidance from Finland has been key to strengthening IFAD's efficiency and effectiveness as well as its approaches to targeting and transparency. By granting two concessional partner loans (CPLs) and as the first Member State to pledge to the Private Sector Financing Programme (PSFP), Finland has also emerged as a pioneer in expanding IFAD's financing modalities.

IFAD focuses exclusively on poverty reduction in rural areas, where 80 per cent of the world's poorest people live. IFAD's investments reach 100 million rural people every year, supporting them to produce more food, start businesses and sustainably manage natural resources. In supporting local livelihoods and reducing migratory pressures, IFAD's innovative financing modalities multiply the contributions it receives: for every EUR 1 million Finland provides to IFAD, when combined with domestic and international cofinancing and reflows on IFAD's ongoing portfolio, IFAD invests EUR 6 million to benefit poor people in rural areas.

## FINLAND'S TOTAL CONTRIBUTIONS AND VOTING POWER

### CONTRIBUTIONS

IFAD12: **US\$36.7 million**  
(including CPL grant element)

TOTAL: **US\$173.5 million**

### SUPPLEMENTARY FUNDS

**US\$16.6 million** (including EUR 1 million to the PSFP)

### CONCESSIONAL PARTNER LOANS

CUMULATIVE: **EUR 110 million**

### VOTES

PERCENTAGE OF TOTAL: **1.21%**

PERCENTAGE OF LIST A: **2.42%**

### PARTICIPATION IN IFAD'S GOVERNING BODIES

[Consultation on the Thirteenth Replenishment of IFAD's Resources](#)

# ABOUT 27 PER CENT OF IFAD'S US\$8.6 BILLION ACTIVE PORTFOLIO IS INVESTED IN BUILDING RESILIENCE IN FRAGILE AND CONFLICT SITUATIONS

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**EUR 110 MILLION**  
in financing provided  
by Finland through  
two concessional  
partner loans

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**EUR 1 MILLION**  
in Finland's pioneering  
contribution to the PSFP

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**35 PER CENT**  
of Finland's core  
contributions have  
supported gender  
equality in projects  
designed under IFAD12

## TACKLING POVERTY AND HUNGER TOGETHER

Finland and IFAD maintain a strong relationship with broad thematic alignment on many mutual priorities. Their joint development work pivots around innovative financing mechanisms and private-sector cooperation, targeting the sustainable use of natural resources and biodiversity, gender mainstreaming, and the rights of persons with disabilities and indigenous peoples. They also share a common understanding of both the potential of private sector engagement in scaling up local supply chains, creating jobs and improving livelihoods, and the importance of innovation and digital development in creating efficient and inclusive food systems.

Finland recognizes IFAD's ability to assist small-scale farmers in adapting to a changing climate and environment, which is critical in increasing their resilience and securing local livelihoods. Ensuring a sustainable future for food systems in vulnerable areas is a strategic priority for Finland and IFAD, and with the support and guidance of Finland and other Member States, 38.2 million rural people have increased their resilience to shocks and crises between 2019 and 2021.

## ENGAGING THE PRIVATE SECTOR IN RURAL DEVELOPMENT

IFAD and Finland agree that a vibrant private sector has a fundamental role in strengthening local food systems. It is a driver of innovation and offers valuable opportunities for linking rural small-scale producers to markets, technology, finance and services. Private sector collaboration and financing is a central part of IFAD's operations globally, through both project financing with partner governments and direct investments in the private sector. In fact, as of January 2023, around 80 per cent of the 198 ongoing IFAD projects were value chain projects, of which almost all have some degree of collaboration with private sector entities. Finland's pioneering contribution to the PSFP in 2022 is a testament to a shared commitment to expand the role of the private sector in rural development.

## GENDER AND DEVELOPMENT

The long-standing partnership between Finland and IFAD on gender equality has helped shape the Fund's approach to gender equality and women's and girls' empowerment, carrying out country pilot initiatives, mainstreaming gender in IFAD-funded programmes and projects, and strengthening women's leadership. Gender equality is a key principle of engagement under IFAD's Strategic Framework 2016-2025.



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