EXPLANATORY MEMORANDUM TO

THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (THIRTEENTH REPLENISHMENT) ORDER 2026

2026 No. [XXXX]

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Foreign, Commonwealth, and Development Office ('**FCDO**') and is laid before the House of Commons by Command of His Majesty.

1.2 This memorandum contains information for the Select Committee on Statutory Instruments.

2. Declaration

2.1 Kirsty McNeill MP, Minister of State for International Development at the Foreign, Commonwealth, and Development Office, confirms that this Explanatory Memorandum meets the required standard.

2.2 Jen Marshall Haugen, Deputy Director, Head of Resilience and Food Department in the Humanitarian Directorate at the Foreign, Commonwealth, and Development Office confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Chris Penrose-Buckley at the Foreign, Commonwealth, and Development Office can be contacted by email at the following address with any queries regarding the instrument: fcdo.correspondence@fcdo.gov.uk. Alternatively, the department can be contacted by telephone: +44 (0)207 008 5000.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 The International Fund for Agricultural Development (Thirteenth Replenishment) Order 2026 (the '**Order**') permits His Majesty's Government (the '**Government**') to make further payments of an amount up to and not exceeding £52.6 million to the International Fund for Agricultural Development ('**IFAD**'). These payments will be pursuant to arrangements that have been made between IFAD and the Government in accordance with Resolution 235/XLVII on the 'Thirteenth Replenishment of IFAD's Resources' adopted by the Governing Council of IFAD on 14th February 2024 (the '**Resolution**').[1]

Where does the legislation extend to, and apply?

4.2 The extent of this Order (that is, the jurisdiction(s) which the instrument forms part of the law of) is the United Kingdom.

[1] Resolution 235/XVVII is available online at: https://webapps.ifad.org/members/gc/47/docs/GC-47-Resolutions.pdf

4.3 The territorial application of this Order (that is, where the instrument produces a practical effect) is the United Kingdom.

5. Policy Context

What is being done and why?

5.1 IFAD is a specialised agency of the United Nations and an international financial institution dedicated to reducing rural poverty and hunger. Working with governments, multilateral development banks and private sector partners, IFAD focuses particularly on poor and vulnerable rural communities that are often underserved by finance and investment.

5.2 IFAD provides grants, concessional loans and technical support to help countries improve agricultural productivity, strengthen food security and nutrition, create economic opportunities and build resilience to climate, economic and other shocks. To finance this work, IFAD's Member States agree a replenishment of its resources every three years. The thirteenth replenishment of IFAD ('**IFAD13**') covers the replenishment period 2025-2027.

5.3 IFAD's Governing Council adopted the Resolution establishing IFAD13 and the financing arrangements for IFAD's work during 2025-2027. IFAD13 aims to:

- improve incomes and livelihoods for over 100 million people;
- improve food security for 66 million people; and
- strengthen resilience to climate, economic and other shocks for 50 million people.

5.4 Ministers have communicated a UK pledge of £52.6 million to IFAD13, subject to parliamentary approval. The Government is contributing to IFAD13 because its priorities align closely with UK development objectives, including improving food security, strengthening resilience to climate and other shocks, supporting sustainable economic growth and advancing women's economic empowerment.[2] The £52.6 million contribution comprises a core contribution of £36.96 million and £15.64 million for IFAD's Additional Climate Contribution window.

What was the previous policy, how is this different?

5.5 The United Kingdom is a founding member of IFAD and has contributed to each of its previous replenishments. The policy of working through effective multilateral organisations to tackle poverty, hunger and food insecurity remains unchanged. IFAD's current strategic priorities continue to align closely with the Government's development objectives.

5.6 The context for the contribution has evolved, however. Persistent food insecurity, increasing climate risks and pressure on humanitarian budgets have reinforced the importance of investments that prevent crises and build long-term resilience. IFAD13 reflects these priorities through a stronger focus on climate adaptation and biodiversity, fragile and conflict-affected settings, women's economic empowerment and mobilisation of additional public and private investment. IFAD is also seeking to

[2] International development in a contested world: ending extreme poverty and tackling climate change, a white paper on international development - GOV.UK (www.gov.uk) (https://www.gov.uk/government/publications/international-development-in-a-contested-world-ending-extreme-poverty-and-tackling-climate-change)

increase the scale of its impact by leveraging additional finance through borrowing and co-financing, supported by its AA+ credit rating.

6. Legislative and Legal Context

How has the law changed?

6.1 The Order authorises the Government, under section 11 of the International Development Act 2002 ('**IDA 2002'**), to make a contribution of up to £52.6 million to IFAD13.

Why was this approach taken to change the law?

6.2 Payment of the contribution is a "relevant payment" within the meaning of section 11(2) of IDA 2002. An Order approved by the House of Commons is required before the payment may be made in accordance with section 11(5).

7. Consultation

Summary of consultation outcome and methodology

7.1 Not relevant in the context of this Order.

8. Applicable Guidance

8.1 Not relevant in the context of this Order.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because no significant direct impact on businesses in the UK is foreseen.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities, or voluntary bodies.

9.3 There is no, or no significant, impact on the public sector.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 Progress and results under IFAD13 are monitored against a framework of targets and indicators agreed by Member States, including the United Kingdom. Progress is reported annually through IFAD's Report on Impact and Development Effectiveness[3] and is reviewed by IFAD's Executive Board, of which the United Kingdom is a member. Independent scrutiny is provided through IFAD's Independent Office of Evaluation and by external audit arrangements.

10.2 FCDO monitors performance through its engagement with IFAD's governing bodies and undertakes periodic reviews drawing on IFAD reporting, independent evaluations and other relevant assessments

10.3 The Order does not include a statutory review clause as it has no effect on business.

[3] The 2025 Report on IFAD's Development Effectiveness is available online at: https://www.ifad.org/en/w/corporate-documents/financial/report-on-ifad-s-development-effectiveness-ride-2025

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 The Order is made under section 11 of IDA 2002, which empowers the Government to make relevant payments to multilateral development banks where it is bound to do so. No obligation arises until the Government deposits an Instrument of Contribution (the '**Instrument**') with IFAD which binds the United Kingdom to make the payment foreseen by article 3 of the Order. This raises a technical issue about the order-making power in section 11. The power requires the Order to be approved in draft by the House of Commons, but the Secretary of State, with the approval of the Treasury, may make the Order only when the Government is bound to make the payment by the deposit of the Instrument. The draft Order is being laid at this time to secure the approval of the House, but the Government will not make the Order until the Instrument has been deposited with IFAD.

12. European Convention on Human Rights

12.1 Kirsty McNeill MP, Minister of State for International Development has made the following statement regarding Human Rights:

> "In my view the provisions of the International Fund for Agricultural Development (Thirteenth Replenishment) Order 2026 ('the Order') are compatible with the Convention rights."

13. The Relevant European Union Acts

13.1 This Order is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts"). It does not trigger the statement requirements under the relevant European Union Acts.