

Inter-American Development Bank (IDB)

Statements of Commitment to the Global Alliance Against Hunger and Poverty

General Section

1. Inter-American Development Bank (IDB) hereby voluntarily *joins the Global Alliance Against Hunger and Poverty* and states its dedication to pursue the Alliance's mission, objectives and principles, as *expressed* in the Global Alliance's Terms of Reference and Governance Framework, and to collaborate with other members to achieve lasting solutions to poverty and hunger worldwide, as expressed below.

The Inter-American Development Bank:

2. *Recognizes* that hunger and malnutrition are the perverse manifestations of persistent, structural poverty and inequality, and recognizes the need to end poverty and hunger in all their forms and dimensions and to fully and effectively implement the 2030 Agenda.
3. *Acknowledges* the alarming growth in the number of people facing food insecurity and poverty in recent years, noting that, despite all significant past and current efforts, the world is not on track to meet SDG 1 and 2 targets, inequality is also on the rise (SDG 10), and a significant increase in collective ambition, as well as improvement in collective alignment and coordination for the fight against hunger and poverty, is urgently needed.
4. To that effect, *endorses* the Global Alliance Against Hunger and Poverty and its mission to *support and accelerate efforts to eradicate hunger and poverty (SDGs 1 and 2) while reducing inequalities (SDG 10), contributing to revitalize global partnerships for sustainable development (SDG 17) and to the achievement of other interlinked SDGs, and championing sustainable, inclusive and just transitions.*
5. *Notes* that it is crucial for the world to unite behind large-scale, integrated approaches combining international, regional, national, and local levels, that recognize the interconnected nature of challenges and solutions to hunger and poverty and pair social protection with access to goods and services that can help the poor and vulnerable populations to overcome structural barriers and drive responsible investment in their productive capacity. These complementary services include but are not limited to interventions for poverty reduction, food security and nutrition, early childhood support, education and skills development, employment services, health and care services, as well as family farmers and smallholders' access to finance, extension services, research and/or agricultural inputs, in line with international commitments and obligations.
6. *Particularly recognizes* the high value and positive impact of quality implementation of national and local country-owned, inclusive policy instruments and programmes, focused on the poorest and most vulnerable, in the fields of poverty reduction, social protection, food security and nutrition, gender equality, decent work in the agri-food sector, skills development, family farming and smallholder agriculture, food systems transformation, health and care services and resilience building.

7. Also *acknowledges* the Global Alliance's reference basket of such policies as a collectively built, ongoing collection of examples with robust evidence to reduce hunger and poverty, and as a useful basis to guide joint action and increase alignment of the international community at country level. This acknowledgement is applicable to the policy basket approach as a general guide to action and does not imply endorsement of any specific policy instrument or programme contained in the basket.
8. Therefore, by joining the Global Alliance Against Hunger and Poverty, *commits* to do its best efforts, in its own field of action, and according to its own mandate, capacities, priorities, preferences, procedures, and legal arrangements and framework, to support the implementation of policy instruments and programmes at country level as appropriate, including by the promotion of shared learning and the mobilization of resources, public and private, at scale.

In particular:

Financial support commitments

The Inter-American Development Bank:

Commits to make its best efforts to improve the destination, allocation and alignment of the use of its resources, including through coordination and cooperation facilitated by the Global Alliance, to support member countries to implement, improve, or scale-up the implementation of select programmes or policy instruments in the Alliance's reference basket to drive the fight against hunger and poverty, in line with sustainable country-led financing and implementation strategies.

Informs and commits to implementing the following actions, programmes, and other activities in support of SDGs 1 and 2 and the Global Alliance's objectives:

1. An estimated amount of USD 25 billion could be allocated from 2025 to 2030 by the IDB to provide support to country-owned, country-led implementation of policies and programmes included in the Global Alliance's reference basket to accelerate progress against poverty and hunger and the achievement of SDGs 1 and 2.
2. Commits that 50% of IDB newly approved projects will directly benefit the poor, especially women, people of African descent, and indigenous peoples – those most affected by poverty. Also, 60% of newly approved projects by the IDB Lab will directly benefit poor and vulnerable populations.
3. The IDB will serve as a key financing partner to the Alliance through the reallocation of Special Drawing Rights (SDR) to Multilateral Development Banks. The IDB is collaborating with AfDB and the Brazilian G20 Presidency in seeking country contributors for the SDR-denominated hybrid capital financing mechanism that would increase available financing for countries to implement policies from the Global Alliance reference basket. This instrument was approved by the IMF Board and now requires the commitment of countries to channel their SDR through hybrid capital instruments to MDBs, as well as the participation of country liquidity providers. For every \$1 billion

equivalent of SDR channeled through the IDB, the IDB will generate approximately \$7 billion in additional financing. This could result in an additional: 4 million families in extreme poverty receiving cash transfers, enhancing their income and food security; 1.3 million mothers and children receiving essential maternal, neonatal, and childcare and nutrition interventions; 2.1 million families in poverty accessing parenting support programs; 10 million children receiving school meals; and 600 thousand small landholder farmers receiving technical assistance in climate-smart agricultural technologies, improving their productivity and food security.

4. The IDB further declares its commitment to mobilize additional funding for poverty and hunger eradication through the Global Alliance's policy basket. This will involve enhancing Balance Sheet Optimization (BSO) tools with partners, including hybrid capital instruments and guarantee structures, ideally with grants to enhance concessionality and encourage investment. The IDB will also advance innovative mobilization tools, such as debt-swaps and thematic bonds, to support both public and private sector mobilization

5. The IDB announces that it will support the knowledge generation and sharing activities of the Alliance's Supporting Mechanism.

Knowledge support commitments

The Inter-American Development Bank:

Commits to make its best efforts to co-create and provide technical assistance, capacity building and strengthening, training and/or knowledge-sharing on voluntary and mutually agreed terms in response to requests by Global Alliance member countries that choose to implement policy instruments and programmes in the Alliance's policy basket that are compatible with its areas of expertise.

Commits to make its best efforts to improve the alignment of its actions, including through the Global Alliance's coordination mechanisms, leveraging, and partnering with other actors to better support large-scale, country-owned implementation of policies and programmes in the reference basket by Global Alliance member countries, aiming at enhancing country-level outcomes.

Commits to collaborate with other Alliance members to develop innovative solutions and share good practices in learning and knowledge exchange and dissemination on voluntary and mutually agreed terms, data collection and analysis, including by leveraging existing local, national, and international knowledge networks, coalitions, communities and other fora related to aspects relevant to the fight against hunger and poverty.

1. Indicates its capacity and readiness to support Alliance member governments, particularly those located in the Latin America and Caribbean (LAC) region, in implementing, improving or scaling-up the following policy instrument types, referenced in the Global Alliance's basket of policy instruments:

(i) Social protection, in particular: child and family support/benefits, conditional and unconditional cash transfers, disability benefits, school meals programs, environmentally conditioned cash transfers, adaptive and shock-responsive social protection, job

placement/intermediation, vocational education and training, social care services.

(ii) Access to basic infrastructure and services (water, sanitation, housing, education, health care) in under-privileged areas.

(iii) Access to productive assets.

(iv) Support to small farmers through access to finance, extension services, knowledge, research, climate resilient technology and agricultural inputs, and strengthening of local markets and value chains.

(v) Nutrition interventions in particular nutrition programmes addressing malnutrition and micronutrient deficiency as part of integral early childhood development programmes and maternal and child health programmes.

(vi) Cross-cutting instruments, including interoperable social information systems and social registries, land and farmer registries, and digital payment systems.

(vii) Funding mechanisms

2. An estimated amount of USD200 million could be provided in technical assistance grants, from 2025 to 2030 to support IDB's borrowing member countries in designing, implementing, evaluating, improving, and scaling up policies and programmes included in the Global Alliance's reference basket and to promote south-south, north-south and trilateral knowledge-sharing and dissemination of lessons learned and best practices.

3. Commits to working with Brazil on a mid-term review of the progress of the Alliance.

General acknowledgments

Recognizes the possibility to, including through the mechanisms available to Global Alliance members, coordinate, partner with and/or seek support from the Global Alliance's other members, within their respective capacities, availability, and fields of activity, to carry out the present commitments with greater effectiveness.

While recognizing that the above commitments are voluntary and non-legally binding, being subject to and carried out under its own capacities, regulations, priorities, and modalities, as well as to the availability of appropriate resourcing, *strives* to seriously consider, as appropriate, and according to its own legal frameworks and governance process, to review its procedures and priorities as found necessary to better deliver on the present commitments, enhance synergies and joint efforts with other entities and initiatives, and improve outcomes on the collective fight against hunger and poverty.