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Enabling poor rural people
to overcome poverty

Resources available for commitment

Addendum

Executive Board —100th Session
Rome, 15-17 September 2010

For: **Approval**

Recommendation for approval.

Pursuant to the Procedures for the Use of the Advance Commitment Authority (ACA), the President of the Fund shall report regularly to the Executive Board on the status of resources available for commitment, including the management of the ACA. At each session, the Executive Board shall approve the total resource commitment to be made through the ACA.¹ No additional use of ACA is being requested for approval at this session of the Board. The Executive Board is hereby requested to authorize the President to conclude agreements for loans and grants approved by the Board at its 100th session in September 2010 and for those to be approved through the lapse-of-time procedure as per attachment III to this document.

Resources available for commitment

1. For the information of the Executive Board, and as stated in document EB 2010/100/R.11, Management has prepared an update of the estimated resources available for commitment under IFAD's Regular Programme. The aforementioned document had estimated that no additional advance commitment authority (ACA) was required. Attachment IV provides a further analysis of net flows from 1 January to 31 August 2010, currently estimated at US\$549.5 million. Taking into account the net inflows for the eight-month period, loan and grant commitments amounting to US\$444.3 million² and ACA of US\$75.3 million already approved at the April 2010 session of the Board, no additional ACA is requested at this session of the Executive Board (attachment IV).
2. Attachment I provides details of loans and grants approved by the Board at its ninety-ninth session.
3. Attachment II provides details of loans and grants proposed to the current session of the Board for a total amount of US\$127.6 million. Based on the exchange rate in force as at 31 August 2010, such loans and grants amount to SDR 84.5 million. In addition, attachment III provides details of loans and grants to be committed and approved through the lapse-of-time procedure for 2010, amounting to US\$40.6 million.

Recommendation

4. Based on the estimated resource position as at 31 August 2010, the Executive Board, having regard to article 7, section 2(b) of the Agreement Establishing IFAD and noting estimated net inflows for the eight-month period to 31 August 2010 amounting to US\$549.5 million and loan and grant commitments amounting to US\$444.3 million,² and considering that ACA for US\$75.3 million has already been approved during the current year, notes that no additional use of ACA is being requested for approval at this session of the Board. The Executive Board authorizes the President to conclude agreements for loans and grants approved by the Executive Board at its 100th session in September 2010 and for those to be approved through the lapse-of-time procedure, as indicated in attachment III to this document. In addition, the Board requests the President to report to the Executive Board at its next and subsequent sessions on the resources available for commitment, loans and grants approved, and the use of ACA.

¹ Procedures for the Use of the Advance Commitment Authority, attachment B of GC 32/Resolution 154/XXXII/Rev.1.

² The amount of US\$444.3 million includes:

- Loans and grants already approved for US\$276.1 million;
- Loans and grants presented for approval at this session of the Executive Board for US\$127.6 million;
- Projects that will be approved through the lapse-of-time procedure for US\$40.6 million.

Loans and grants approved at the ninety-ninth session of the Executive Board

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>SDR</i>
Loans		
Bangladesh	Char Development and Settlement Project IV	30 860 000
Bangladesh	Participatory Small-scale Water Resources Sector Project	6 525 000
Cameroon	Commodity Value Chain Support Project	12 650 000
Dominican Republic	Rural Economic Development Project in the Central and Eastern Provinces	9 250 000
Ghana	Rural and Agricultural Finance Programme – Supplementary loan	5 950 000
Guatemala	Sustainable Rural Development Programme in El Quiché	10 900 000
Papua New Guinea	Productive Partnerships in Agriculture Project	9 220 000
Uganda	Vegetable Oil Development Project – Phase 2	33 500 000
Viet Nam	Project for the Economic Empowerment of Ethnic Minorities in Poor Communes of Dak Nong Province	12 800 000
Total		131 655 000
Debt Sustainability Framework (DSF) grants		
Burundi	Value Chain Development Programme	25 900 000
Eritrea	Fisheries Development Project	8 250 000
Yemen	Economic Opportunities Programme	8 500 000
Total		42 650 000
Grants		
International Center for Agricultural Research in the Dry Areas	Improving the Livelihoods of Rural Communities in the Dry Areas: Sustainable Crop and Livestock Management	657 601
Guatemala	Sustainable Rural Development Programme in El Quiché	330 000
Viet Nam	Project for the Economic Empowerment of Ethnic Minorities in Poor Communes of Dak Nong Province	330 000
Latin American Centre for Rural Development - RIMISP	Knowledge for Change - Policy Processes for Poverty Impact	1 199 463
Total		2 517 064
Grand total		176 822 064

Loans and grants to be approved at the 100th session of the Executive Board

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR</i>
Loans			
Armenia	Rural Asset Creation Programme	13 447 156	8 900 000
Honduras ^b	Sustainable Rural Development Programme for the Southern Region (<i>Emprende Sur</i>)	10 047 594	6 650 000
Kenya	Programme for Rural Outreach of Financial Innovations and Technologies (PROFIT)	29 160 686	19 300 000
Mali	Fostering Agricultural Productivity Project	31 729 244	21 000 000
Nigeria	Community-Based Agricultural and Rural Development Programme	13 024 099	8 620 000
Uganda	Agricultural Technology and Agribusiness Advisory Services Project	14 051 522	9 300 000
Total		111 460 301	73 770 000
Debt Sustainability Framework (DSF) grants			
Djibouti	Programme for the Mobilization of Surface Water and Sustainable Land Management	3 021 835	2 000 000
Guinea	National Programme to Support Agricultural Value Chain Actors	8 763 315	5 800 000
Sao Tome and Principe	Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme	3 006 724	1 990 000
Total		14 791 874	9 790 000
Grants			
Armenia	Rural Asset Creation Programme	498 602	330 000
Kenya	Programme for Rural Outreach of Financial Innovations and Technologies (PROFIT)	596 812	395 000
Mali	Fostering Agricultural Productivity Project	302 183	200 000
Total		1 397 597	925 000
Grand total		127 649 772	84 485 000

^a Using the 31 August 2010 US\$/SDR exchange rate of 1.510916 based on the United States dollar amount for loans and associated grants negotiated to date.

^b Loans under negotiation.

Projects to be approved through the lapse-of-time procedure included in the loan and grant commitment EB 99

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$</i>	<i>SDR^a</i>
Botswana	Agricultural Services Support Project (loan)	5 090 000	3 368 817
Botswana	Agricultural Services Support Project (grant)	600 000	397 110
Subtotal		5 690 000	3 765 927

Projects to be approved through the lapse-of-time procedure included in the loan and grant commitment EB 100

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$</i>	<i>SDR^a</i>
Grenada	Market Access and Rural Enterprise Development	3 000 000	1 985 550
World Agroforestry Centre (ICRAF)	Enabling Rural Transformation and Grass-roots Institution Building for Sustainable Land Management and Increased Incomes and Food Security	1 000 000	661 850
World Agroforestry Centre (ICRAF)	Non-food Biofuel Crop Development for Food, Energy and Environmental Security	1 000 000	661 850
World Agroforestry Centre (ICRAF)	Parkland Trees and Livelihoods: Adapting to Climate Change in the West African Sahel	1 500 000	992 775
UNESCO-IHE Institute for Water Education	Spate Irrigation for Rural Growth and Poverty Alleviation	1 200 000	794 220
International Centre of Insect Physiology and Ecology (ICIPE)	Scaling-up Bee-keeping and other Livelihood Options to Strengthen Farming Systems in Near East and North Africa (NENA), and East Africa	1 200 000	794 220
International Rice Research Institute (IRRI)	Programme for Improving Livelihoods and Overcoming Poverty in the Drought-Prone Lowlands of South-east Asia	1 200 000	794 220
International Center for Agricultural Research in the Dry Areas (ICARDA)	Improved Water Management for Sustainable Mountain Agriculture: Jordan, Lebanon and Morocco	1 000 000	661 850
Bioversity International	Reinforcing Resilience of Rural Communities against Food Insecurity, Poverty and Climate Change through On-farm Conservation of Local Agro-Biodiversity	1 000 000	661 850
Bioversity International	Crop Biodiversity to Reduce Pest and Disease Damage: A Competitive Solution under the Limited Financial Capital of Poor Farmers	1 000 000	661 850
International Rice Research Institute (IRRI)	Accelerating Resource Conserving Technology (RCT) Adoption to Improve Food Security and Rural Livelihoods in the Indo Gangetic Plains	1 500 000	992 775
Global Forum on Agricultural Research (GFAR)	Integration of International Research Efforts for pro-poor Impacts	1 000 000	661 850
WaterWatch, International Water Management Institute (IWMI), Basford, DLV Plant	Adapting Smart Technologies to Assist Smallholders in Africa	1 200 000	794 220
AgriCord	Support services to Farmers Organizations involved in IFAD Country Programs	800 000	529 480
To be determined – Consultative Group on International Agricultural Research (CGIAR)	Value Chain Analysis of Roots and Tubers	1 450 000	959 682
Food and Agriculture Organization of the United Nations (FAO)	Mainstreaming Pro-Poor Policy Initiatives at the Country Level	1 500 000	992 775
United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)	Leveraging Pro-Poor Public-Private Partnership for Rural Development	1 350 000	893 498
Songhai	Replicating Songhai Centers in Western and Central Africa	1 500 000	992 775
Yeshiva University (YU) and World Agroforestry Centre (ICRAF)	Natural Resource Management and Climate Change in the Sahel	1 500 000	992 775
West Africa Rural Foundation (WARF)	Strengthening Project Management Capacity – Phase II	1 000 000	661 850

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$</i>	<i>SDR^a</i>
Kilimo Trust/SNV Netherlands Development Organisation	Network for Enhanced Market Access by Smallholders in Eastern and Southern Africa (NEMAS)	1 500 000	992 775
Regional Programme for Rural Development Training (PROCASUR)	Learning Routes	1 500 000	992 775
Africa Enterprise Challenge Fund (AECF)	Increasing the Impact of the Africa Enterprise Challenge Fund	1 000 000	661 850
To be determined	Regional Capacity-building	1 500 000	992 775
To be determined	Strengthening Farmer Organizations Engagement in Rural Poverty Reduction	1 000 000	661 850
International Center for Agricultural Research in the Dry Areas (ICARDA)	Improved Food Security and Reducing Vulnerability to Climate Change Through Sustainable Productivity Increase of Barley- Livestock-based Production System in Iraq and Jordan	1 500 000	992 775
To be determined	Rural Microfinance Support Projects	1 000 000	661 850
Total		34 900 000	23 098 565
Grand total		40 590 000	26 864 492

^a Using the 31 August 2010 US\$/SDR exchange rate of 1.510916 based on the United States dollar amount for loans and associated grants not negotiated to date.

Analysis of use of advance commitment authority

	<i>Millions of United States dollars</i>								
	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
ACA carry-forward at start of year	-	153.7	277.8	331.1	136.8	296.0	453.3	585.3	742.3
Net ACA use/(cover)	153.7	124.1	53.3	(194.3)	159.2	157.3	132.0	157.0	46.7
ACA carry-forward at end of year	153.7	277.8	331.1	136.8	296.0	453.3	585.3	742.3	789.0

	<i>Millions of United States dollars</i>		
	<i>Actual</i>	<i>Estimated</i>	<i>Estimated</i>
	<i>January to June 2010</i>	<i>July to August 2010</i>	<i>January to August 2010</i>
1. Resources available at start of period	0	0	0
Analysis of flows			
Members' contributions	193.3	66.9	260.2
Loan reflows	128.7	38.7	167.4
Loan and grant cancellations	56.9	25.2	82.1
Net investment income	59.2	22.3	81.5
Net exchange rate movements	60.4	(6.9)	53.5
IFAD transfer for Haiti debt relief	0	(15.2)	(15.2)
Operating expenses	(52.1)	(27.9)	(80.0)
2. Total estimated net inflows for the period	446.4	103.1	549.5
3. ACA approved by the Executive Board in the year			75.3
4. Loan and grant commitments^a			(444.3)
5. ACA to be approved at EB 100^b			0
6. ACA covered from flows in the period			(180.5)
7. ACA unused balance (=1+2+3+4+5+6)			0
8. ACA brought forward (= prior period)			789.0
9. ACA carried forward (= 3+5+6+8)^c			683.8

^a Loan and grant commitments include loans and grants presented for approval at this Board session of US\$127.6 million, projects to be approved through lapse-of-time procedure totalling US\$40.6 million, and loans and grants already approved for US\$276.1 million.

^b EB 100 = 100th session of the Executive Board (September 2010).

^c The ACA ceiling of seven years of loan reflows amounts to approximately US\$2.1 billion, as per the Eighth Replenishment definition. The current estimated carried-forward balance corresponds to about 2.6 years of loan reflows.