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Enabling poor rural people
to overcome poverty

Resources available for commitment

Addendum

Note to Executive Board representatives

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Executive Board — 101st Session
Rome, 14-16 December 2010

For: **Approval**

Recommendation for approval.

Pursuant to the Procedures for the Use of the Advance Commitment Authority (ACA), the President of the Fund is to 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 is to approve the total resource commitment to be made through the ACA.¹ Additional use of ACA is being requested for approval at this session of the Board for US\$223.8 million. The Executive Board is hereby requested to authorize the President to conclude agreements for loans and grants approved by the Board at its 101st session in December 2010 and for those to be approved through the lapse-of-time procedure as per attachment II to this document.

Resources available for commitment

1. For the information of the Executive Board, and as stated in document EB 2010/101/R.18, Management has prepared an update of the estimated resources available for commitment under IFAD's Regular Programme. The aforementioned document had estimated additional advance commitment authority (ACA) of US\$249.2 million was required. Attachment III provides a further analysis of net flows from 1 January to 31 December 2010, currently estimated at US\$575.6 million. Taking into account the net inflows for the 12-month period, loan and grant commitments amounting to US\$874.7 million² and ACA of US\$75.3 million already approved at the April 2010 session of the Board, additional ACA amounting to US\$223.8 million is requested at this session of the Executive Board (attachment III).
2. Attachment I provides details of loans and grants proposed to the current session of the Board for a total amount of US\$408.9 million. Based on the exchange rate in force as at 30 November 2010, such loans and grants amount to SDR 268.0 million. In addition, attachment II provides details on projects approved or to be approved by the lapse-of-time procedure. Projects approved thus far by this procedure amount to about US\$32.5 million, while loans and grants proposed for approval through the procedure amount to US\$29.0 million for 2011.

Recommendation

3. Based on the estimated resource position as at 31 December 2010, the Executive Board, having regard to article 7, section 2(b) of the Agreement Establishing IFAD and noting estimated net inflows for the 12-month period to 31 December 2010 amounting to US\$575.6 million and loan and grant commitments amounting to US\$874.7 million,² and considering that ACA for US\$75.3 million has already been approved during the current year, notes that additional ACA amounting to US\$223.8 million 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 101st session in December 2010 and for those to be approved through the lapse-of-time procedure, as indicated in attachment II 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\$874.7 million includes:

- Loans and grants already approved for US\$404.3 million;
- Loans and grants presented for approval at this session of the Executive Board for US\$408.9 million;
- Projects approved through the lapse-of-time procedure for US\$32.5 million for the 2010 programme of work.
- US\$29.0 million relating to projects that will be approved in the intersessional period from January to April 2011 as part of next year's programme of work.

Loans and grants to be approved at the 101st session of the Executive Board

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR^a</i>
Loans			
Buthan	Market Access and Growth Intensification Project	8 545 040	5 600 000
Chad	Rural Development Support Programme in Guéra (PADER-G)	8 697 630	5 700 000
El Salvador	Rural Territorial Competitiveness Programme (Amanecer Rural)	17 547 850	11 500 000
Mongolia ^c	Project for Market and Pasture Management Development	11 520 545	7 550 000
Morocco	Agricultural Value Chain Development Programme in the Mountain Zones of Taza Province	22 491 766	14 740 000
Mozambique	Artisanal Fisheries Promotion Project	21 133 715	13 850 000
Nicaragua	Rural Development Programme for the Caribbean Coast (NICARIBE)	3 891 045	2 550 000
Niger	Emergency Food Security and Rural Development Programme (World Bank-initiated)	6 332 485	4 150 000
Pakistan	Southern Punjab Poverty Alleviation Project	40 207 465	26 350 000
Republic of Moldova	Rural Financial Services and Agribusiness Development Project	18 921 160	12 400 000
Sierra Leone	Rehabilitation and Community-Based Poverty Reduction Project	10 757 595	7 050 000
Syrian Arab Republic	Integrated Livestock Development Project	26 626 955	17 450 000
United Republic of Tanzania	Marketing Infrastructure, Value Addition and Rural Finance Support Programme	90 638 460	59 400 000
Viet Nam	Tam Nong Support Project	48 065 850	31 500 000
Total		335 377 561	219 790 000
Debt Sustainability Framework (DSF) grants			
Chad	Rural Development Support Programme in Guéra (PADER-G)	8 239 860	5 400 000
Nicaragua	Rural Development Programme for the Caribbean Coast (NICARIBE)	3 891 045	2 550 000
Niger	Emergency Food Security and Rural Development Programme (World Bank-initiated)	6 332 485	4 150 000
Sierra Leone	Rehabilitation and Community-Based Poverty Reduction Project	10 757 595	7 050 000
Solomon Islands	Solomon Islands Rural Development Programme	3 891 045	2 550 000
Sudan	Supporting Small-scale Traditional Rainfed Producers in Sennar State Project	13 542 363	8 875 000
Togo	Support to Agricultural Development Project	13 199 035	8 650 000
Yemen	Fisheries Investment Project	8 850 220	5 800 000
Total		68 703 647	45 025 000
Grants			
Morocco	Agricultural Value Chain Development Programme in the Mountain Zones of Taza Province	500 495	328 000
Republic of Moldova	Rural Financial Services and Agribusiness Development Project	488 288	320 000
Syrian Arab Republic	Integrated Livestock Development Project	572 212	375 000
Viet Nam	Tam Nong Support Project	305 180	200 000
Alliance for a Green Revolution in Africa (AGRA) (non-CGIAR-supported international centre) ^b	Increasing the Impact of the Africa Enterprise Challenge Fund	1 000 000	655 352
Guatemalan Exporters' Association (AGEXPORT) (non-CGIAR-supported international centre) ^b	<i>PRO Mercados</i> : Market Access Programme for Rural Associative Micro-, Small and Medium-sized Enterprises in Central America	2 000 000	1 310 702
Total		4 866 175	3 189 054
Grand total		408 947 384	268 004 053

^a Using the 30 November 2010 US\$/SDR exchange rate of 1.52590 based on the United States dollar amount for loans and associated grants.

^b Projects previously presented for approval under the lapse-of-time procedure.

^c Project under negotiation.

Projects approved through the lapse-of-time procedure

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR^a</i>
International Center for Agricultural Research in the Dry Areas (ICARDA) (CGIAR-supported international centre)	Improved Water Management for Sustainable Mountain Agriculture: Jordan, Lebanon and Morocco	1 000 000	643 352
International Centre of Insect Physiology and Ecology (ICIPE) (non-CGIAR-supported international centre)	Scaling up Bee-keeping and other Livelihood Options to Strengthen Farming Systems in the Near East and North Africa (NENA), and East Africa	1 200 000	772 022
International Rice Research Institute (IRRI) (CGIAR-supported international centre)	Programme for Improving Livelihoods and Overcoming Poverty in the Drought-Prone Lowlands of South-East Asia	1 200 000	772 022
United Nations Educational, Scientific and Cultural Organization – Institute for Water Education (UNESCO-IHE) (non-CGIAR-supported international centre)	Spate Irrigation for Rural Growth and Poverty Alleviation	1 200 000	772 022
World Agroforestry Centre (ICRAF) (CGIAR-supported international centre)	Parkland Trees and Livelihoods: Adapting to Climate Change in the West African Sahel	1 500 000	965 027
World Agroforestry Centre (ICRAF) (CGIAR-supported international centre)	Enabling Rural Transformation and Grass-roots Institution-Building for Sustainable Land Management and Increased Incomes and Food Security	1 500 000	965 027
Botswana	Agricultural Services Support Project (loan)	3 967 340	2 600 000
Botswana	Agricultural Services Support Project (grant)	1 564 048	1 025 000
Grenada	Market Access and Rural Enterprise Development Programme (loan)	2 944 987	1 930 000
Biodiversity International) (CGIAR-supported international centre)	Reinforcing the Resilience of Poor Rural Communities in the Face of Food Insecurity, Poverty and Climate Change through On-farm Conservation of Local Agrobiodiversity	980 000	642 244
International Center for Agricultural Research in the Dry Areas (ICARDA)) (CGIAR-supported international centre)	Improving the Food Security and Climate Change Adaptability of Livestock Producers using the Rainfed Barley-based System in Iraq and Jordan	1 500 000	983 026
International Potato Center (CIP)) (CGIAR-supported international centre)	Root and Tuber Crops Research and Development Programme for Food Security in the Asia and Pacific Region	1 450 000	950 259
International Water Management Institute (IWMI) (CGIAR-supported international centre)	Smart Information and Communication Technology (ICT) for Weather and Water Information and Advice to Smallholders in Africa	1 800 000	1 179 632
AgriCord (non-CGIAR-supported international centre)	Capacity-building for Farmers' Organizations involved in IFAD Country Programmes	1 550 000	1 015 794
Economic and Social Commission for Asia and the Pacific (ESCAP) (non-CGIAR-supported international centre)	Leveraging Pro-poor Public-Private Partnerships (5Ps) for Rural Development – Widening Access to Energy Services for Rural Poor in Asia and the Pacific	1 350 000	884 724
Institute for People, Innovation and Change in Organisations (PICO)-Eastern Africa (non-CGIAR-supported international centre)	Network for Enhanced Market Access for Smallholders (NEMAS) in East and Southern Africa	1 500 000	983 026
Institute of Peruvian Studies (IEP) (non-CGIAR-supported international centre)	Young Rural Women in Latin America in the Twenty-first Century	750 000	491 513

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR^a</i>
Regional Programme for Rural Development Training (PROCASUR) (non-CGIAR-supported international centre)	Learning Routes: A Knowledge Management and Capacity-building Tool for Rural Development in East and Southern Africa	1 500 000	983 026
Songhai Centre (non-CGIAR-supported international centre)	Rural Youth and Agricultural Business Development in West and Central Africa	1 800 000	1 179 632
VU-Windesheim Association (non-CGIAR-supported international centre)	Supporting Farmer-managed Natural Regeneration in the Sahel	1 220 000	799 528
West Africa Rural Foundation (WARF) (non-CGIAR-supported international centre)	Support to Improve IFAD Project Performance in West and Central Africa	1 000 000	655 351
Total		32 476 375	21 192 227

Projects for approval through the lapse-of-time procedure period January-April 2011 (2011 POW)

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR^a</i>
Central African Republic	Reviving Food Crop and Small Livestock Production in the Central-West and Western Savannah Areas	9 130 000	5 983 354
Comoros	National Programme for Sustainable Human Development	2 600 000	1 703 912
Lesotho	Smallholder Agriculture Development Programme	11 940 000	7 824 890
Guyana	Hinterland Development Programme – first phase	2 320 000	1 520 414
Suriname	Rural and Interior Development Project	3 000 000	1 966 053
Total		28 990 000	18 998 624
Grand total		61 466 375	40 190 850

^a Using the 30 November 2010 US\$/SDR exchange rate of 1.52590 based on the United States dollar amount for loans and associated grants.

Analysis of use of advance commitment authority

	<i>Millions of United States dollars</i>								
	2001	2002	2003	2004	2005	2006	2007	2008	2009
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 January to October 2010</i>	<i>Estimated November to December 2010</i>	<i>Estimated January to December 2010</i>
1. Resources available at start of period	0	0	0
Analysis of flows			
Members' contributions	306.5	23.5	330.0
Loan reflows	223.9	36.1	260.0
Loan and grant cancellations	84.4	0	84.4
Net investment income	92.7	(9.4)	83.3
Net exchange rate movements	21.8	0	21.8
IFAD transfer for Haiti debt relief	(15.2)	0	(15.2)
HIPC transfer ^a	(30.0)	0	(30.0)
ASMCS transfer ^a	0	(15.0)	(15.0)
Operating expenses	(95.0)	(48.7)	(143.7)
2. Total estimated net inflows for the period	589.1	(13.5)	575.6
3. ACA approved by the Executive Board in the year			75.3
4. Loan and grant commitments^b			(845.7)
5. Projects to be approved by lapse of time in 2011^c			(29.0)
6. ACA to be approved at EB 101^a			223.8
7. ACA covered from flows in the period			0
8. ACA unused balance (=1+2+3+4+5+6+7)			0
9. ACA brought forward (= prior period)			789.0
10. ACA carried forward (= 3+6+7+8+9)^c			1 088.1

^a HIPC: heavily indebted poor countries; ASMCS: After-Service Medical Coverage Scheme; EB 101: 101st session of the Executive Board (December 2010).

^b Loan and grant commitments include :

- Loans and grants already approved for US\$404.3 million;
- Loans and grants presented for approval at this session of the Executive Board for US\$408.9 million;
- Projects approved through the lapse-of-time procedure for US\$32.5 million for the 2010 programme of work.

^c This balance includes US\$29.0 million relating to projects that will be approved in the intersessional period from January to April 2011 as part of next year's programme of work. The ACA ceiling of seven years of loan reflows amounts to approximately US\$2.1 billion, according to the Eighth Replenishment definition. The current estimated carried-forward balance corresponds to about 3.8 years of loan reflows.