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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 — 102nd Session
Rome, 10-12 May 2011

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\$40.7 million. The Executive Board is hereby requested to authorize the President to conclude agreements for loans and grants approved by the Board at its 102nd session in May 2011 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 2011/102/R.14, 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\$126.5 million was required. Attachment III provides a further analysis of net flows from 1 January to 30 April 2011, currently estimated at US\$152.8 million. Taking into account the net inflows for the four-month period, loan and grant commitments amounting to US\$193.5 million,² additional ACA amounting to US\$40.7 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\$129.5 million. Based on the exchange rate in force as at 30 April 2011, such loans and grants amount to SDR 79.9 million. In addition, attachment II provides details of projects approved or to be approved through the lapse-of-time procedure. Projects approved thus far by this procedure amount to about US\$19.3 million, while loans and grants proposed for approval through the procedure amount to US\$37.8 million for the inter-sessional period May to September 2011.

Recommendation

3. Based on the estimated resource position as at 30 April 2011, the Executive Board, having regard to article 7, section 2(b) of the Agreement Establishing IFAD and noting estimated net inflows for the four-month period to 30 April 2011 amounting to US\$152.8 million and loan and grant commitments amounting to US\$193.5 million,² notes that additional ACA amounting to US\$40.7 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 102nd session in May 2011 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\$193.5 million includes:

- Loans and grants already approved for US\$6.9 million;
 - Loans and grants presented for approval at this session of the Executive Board for US\$129.5 million;
 - Projects approved through the lapse-of-time procedure for US\$19.3 million
- US\$37.8 million relating to projects that will be approved in the inter-sessional period from May to September 2011.

Loans and grants to be approved at the 102nd session of the Executive Board

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$</i>	<i>SDR^a</i>
Loans			
Azerbaijan	Integrated Rural Development Project	19 868 643	12 250 000
Indonesia	Smallholder Livelihood Development Project in Maluku and North Maluku	49 144 479	30 300 000
Mongolia	Project for Market and Pasture Management Development	11 758 993	7 250 000
Pakistan	Gwadar-Lasbela Livelihoods Support Project	30 086 802	18 550 000
Total		110 858 917	68 350 000
Debt Sustainability Framework (DSF) grants			
Lao People's Democratic Republic	Rural Livelihoods Improvement Programme – Attapeu Province	2 513 991	1 550 000
Tajikistan	Livestock and Pasture Development Project	15 083 949	9 300 000
Total		17 597 940	10 850 000
Grants			
Indonesia	Smallholder Livelihood Development Project in Maluku and North Maluku	1 086 693	670 000
Total		1 086 693	670 000
Grand total		129 543 550	79 870 000

^a Using the 30 April 2011 US\$/SDR exchange rate of 1.62193 based on the United States dollar amount for loans and associated grants.

Loans and grants approved through the lapse-of-time procedure period January-April 2011

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR^a</i>
Central African Republic	Project for Reviving Food Crops and Small Livestock Production in the Savannah	11 191 317	6 900 000
International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA)	Developing Inclusive Financial Systems for Improved Access to Financial Services in Rural Areas programme	1 500 000	924 824
Food and Agriculture Organization of the United Nations (FAO)	"Leading the Field" Initiative of the International Treaty on Plant Genetic Resources for Food and Agriculture	1 500 000	924 824
MADRE Inc., Mainyoito Pastoralists Integrated Development Organization (MPIDO) and Tebtebba Foundation	Indigenous people's assistance facility	1 450 000	893 997
International Water Management Institute (IWMI)	Safe Nutrient, Water and Energy Recovery: developing a business case	650 000	400 757
Food and Agriculture Organization of the United Nations (FAO)	Pro-Poor Policy Approaches to Address Risk and Vulnerability at the Country Level	1 500 000	924 824
University of Kassel-WATERCOPE	Supporting National Research Capacity and Policy Development to Cope with Dwindling Water Resources and Intensifying Land Use in the Transborder Altay-Dzungarian Region of Mongolia and China	1 485 000	915 576
Total		19 276 317	11 884 802

^a Using the 30 April 2011 US\$/SDR exchange rate of 1.62193 based on the United States dollar amount for loans and associated grants not negotiated to date.

Proposals for approval through the lapse-of-time procedure period May-September 2011

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$</i>	<i>SDR^a</i>
Haiti	Productive Initiatives Support Programme in Rural Areas	7 000 000	4 315 846
Rwanda	Rural Small and Micro-enterprise Project Phase II	3 400 000	2 096 268
Comoros	National Programme for Sustainable Human development	2 600 000	1 603 028
Regional Programme for Rural Development Training (PROCASUR)	Strengthening Knowledge Sharing on innovation using the learning route methodology	1 000 000	616 549
International Centre for Tropical Agriculture (CIAT)	Improving Upland Smallholder Livelihoods in the Cambodian-Laos-Vietnam Development Region through improved foraged-based feeding systems	1 500 000	924 824
East Africa Farmers Federation (EAFF)	Strengthening Knowledge Management and Institutional Development in East Africa Farmers' Federation (EAFF)	1 500 000	924 824
African Rural and Agricultural Credit Association (AFRACA)	Rural Finance Knowledge Management Partnership (new phase)	1 500 000	924 824
African Rural and Agricultural Credit Association (AFRACA)	IFAD Africa Regional Knowledge Network	1 500 000	924 824
Oxfam Novib	Community-led Value Chain Development for Gender Justice	1 500 000	924 824
Regional Programme for Rural Development Training (PROCASUR)	Promoting Young People's Entrepreneurship in Poor Rural Territories in Latin America and the Caribbean	2 000 000	1 233 099
The Latin American Centre for Human Economy (CLAEH)	Public Policy Dialogue on Family Agriculture and Food Security in the Southern Cone of Latin America	1 500 000	924 824
Comisión Nacional para el Conocimiento y Uso de la Biodiversidad. (Mexico)	Climate Change, REDD and Rural Poverty in Mesoamerica	1 500 000	924 824
ICARDA, ECSWA, IFPRI, IPI, PRIO	Ways in which Rural Development Decreases the Vulnerability of Rural Communities to Conflict	1 000 000	616 549
Union of Agricultural Producers, Canada	Strengthening Farmer Organizations' Engagement in Rural Poverty Reduction	1 300 000	801 514
Microfinance Information exchange	Improve Performance Monitoring in Rural Finance	1 200 000	739 859
Humbolt-Universitat Berlin, Instituto Socioambiental Brasilia, Centre for World Solidarity	Pro-poor Resource Governance Under Changing Climates	800 000	493 240
International Livestock Research Institute (ILRI)	Enhancing Dairy-based Livelihoods	1 000 000	616 549
To be determined	Development of Alternative Bioenergy Crops	1 500 000	924 824
International Centre of Insect Physiology (ICIPE)	Improving food safety and quality for domestic market supply chains in Central, Eastern and Southern Africa	1 000 000	616 549
International Water Management Institute (IWMI)	Disseminating CPWF Innovations and Adoption Processes on Water for Food	1 000 000	616 549
International Rice Research Institute (IRRI)	Greater impact on livelihoods from rice research development and effective delivery of new production technologies through adaptive research and capacity-building of rice specialists, extension officers and farmers	750 000	462 412
International Maize and Wheat improvement centre (CIMMYT)	Understanding the adoption and application of conservation agriculture	750 000	462 412
Alliance for Green Revolution in Africa (AGRA)	Expanding access to rural finance	1 000 000	616 549
Total		37 800 000	23 305 564
Grand total		57 076 317	35 190 366

^a Using the 30 April 2011 US\$/SDR exchange rate of 1.62193 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>									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
ACA carry-forward at start of year	-	153.7	277.8	331.1	136.8	296.0	453.3	585.3	742.3	789.0
Net ACA use/(cover)	153.7	124.1	53.3	(194.3)	159.2	157.3	132.0	157.0	46.7	147.1
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	936.1

	<i>Estimated January to April 2011</i>
1. Resources available at start of period	0
Analysis of flows	
Members' contributions	85.5
Loan reflows	99.7
Loan and grant cancellations	12.8
Net investment income	24.6
Net exchange rate movements	(19.5)
Operating expenses	(50.3)
2. Total estimated net inflows for the period	152.8
3. ACA approved by the Executive Board in the year	0
4. Loan and grant commitments^b	(193.5)
5. ACA to be approved at EB 102^a	40.7
6. ACA covered from flows in the period	0
7. ACA unused balance (=1+2+3+4+5+6)	0
8. ACA brought forward (= prior period)	936.1
9. ACA carried forward (= 3+5+6+7+8)^c	976.8

^a EB 102: 102nd session of the Executive Board (May 2011).

^b Loan and grant commitments include :

- Loans and grants already approved for US\$6.9 million;
 - Loans and grants presented for approval at this session of the Executive Board for US\$129.5 million;
 - Projects approved through the lapse-of-time procedure for US\$19.3 million
- US\$37.8 million relating to projects that will be approved in the inter-sessional period from May to September 2011.

^c 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 3.3 years of loan reflows.