

Document: EB 2015/114/R.19  
Agenda: 8(d)  
Date: 12 March 2015  
Distribution: Public  
Original: English

E



Investing in rural people

## Requirements for the thirty-sixth drawdown of Member State contributions in 2015

### Note to Executive Board representatives

#### Focal points:

#### Technical questions:

Ruth Farrant  
Director and Controller  
Controller's and Financial Services Division  
Tel.: +39 06 5459 2281  
e-mail: r.farrant@ifad.org

Allegra Saitto  
a.i. Manager Accounting and Financial Reporting  
Tel.: +39 06 5459 2405  
e-mail: a.saitto@ifad.org

#### Dispatch of documentation:

Deirdre McGrenra  
Head, Governing Bodies Office  
Tel.: +39 06 5459 2374  
e-mail: gb\_office@ifad.org

Executive Board — 114<sup>th</sup> Session  
Rome, 22-23 April 2015

---

For: Approval

## Recommendation for approval

The Executive Board is invited to consider the requirements for the thirty-sixth drawdown of Member State contributions, to take place in 2015, and adopt the following decision:

The Executive Board, in accordance with article 4, section 5(c), of the Agreement Establishing IFAD and regulation V of the Financial Regulations of IFAD, approves the drawdown of the remaining balance of the Ninth Replenishment contributions in April 2015 or as may be stipulated in agreements with individual Member States, to meet loan and grant disbursements for 2015. Any further funds required for disbursement needs in 2015 not covered by the drawdown of these contributions will be met from the liquid assets of the Fund. The Executive Board authorizes the President to proceed accordingly.

## Requirements for the thirty-sixth drawdown of Member State contributions in 2015

1. This document proposes a level of drawdown of Member State contributions for 2015 based on estimates of loan and grant disbursements for 2015.
2. Article 4, section 5(c) of the Agreement Establishing IFAD outlines the provisions to be applied regarding drawdowns. At its seventy-first session (December 2000), the Executive Board adopted a policy of 100 per cent drawdown of Member State contributions for disbursement requirements. Member States are allowed to enter into separate arrangements for individual encashment schedules of drawdown calls. The drawdown policy was based on the premise that these individual arrangements should not adversely affect the operational needs of the Fund and would remain in force until changed within the context of a replenishment, if so required, or until such time as callable resources are depleted.
3. The drawdown (liquidity) necessary to meet 100 per cent of projected loan and grant disbursements for 2015 is estimated at US\$707.0 million. As per normal practice, this liquidity requirement will be met by using the Fund's existing liquid assets, the encashment from contributions, investment income and loan reflows. The 2015 drawdown currently requested reflects the final instalment due for unqualified contributions under the Ninth Replenishment resolution. Based on the level of instruments of contributions received and payments received at the end of December 2014, the drawdown would correspond to an amount of approximately US\$180.7 million. This figure will change as Member States make payments during the course of 2015. The difference between projected disbursement needs and the funds available as a result of this drawdown will have to be covered by using other sources cited above.
4. A list of Member States that have not paid calls against previous replenishments is reported in the 2014 consolidated financial statements of IFAD (EB 2015/114/R.19). The Fund will make every effort to secure encashment of promissory notes and/or secure cash payments, as appropriate. In accordance with the procedure for the calculation of drawdowns of Member State contributions approved by the Executive Board at its fifty-fifth session (September 1995), no increase will be made in the drawdown call to cover anticipated non-payment of drawdown calls.
5. Information on the approved drawdowns for the Ninth Replenishment and forecast for the Tenth Replenishment are provided in the annex. The annex also includes an estimate of future disbursements and expected drawdowns based on the current level of pledges for the Ninth and Tenth Replenishments.

## Estimate of future drawdowns

(as at 31 December 2014 – Millions of United States dollars)

|   | <i>2014<br/>actual</i> | <i>2015<br/>forecast</i> | <i>2016<br/>forecast</i> |
|---|------------------------|--------------------------|--------------------------|
| <b>Drawdown in year</b>   |                        |                          |                          |
| Ninth Replenishment   | 35%                    | 35%                      |                          |
| Tenth Replenishment   |                        |                          | 30%                      |
| <b>Cumulative percentages drawn down to year end</b>                  |                        |                          |                          |
| Ninth Replenishment   | 65%                    | 100%                     |                          |
| Tenth Replenishment   |                        |                          | 30%                      |
| <b>Based on:</b>  |                        |                          |                          |
| A. Projected disbursements <sup>a</sup>                               | 747.0                  | 754.9                    | 772.3                    |
| B. Actual disbursements   | 699.1                  |                          |                          |
| C. Difference (B - A)   | (47.9)                 |                          |                          |
| D. 100% disbursement requirements (A - C prior year)                  | 673.2 <sup>b</sup>     | 707.0 <sup>c</sup>       | 772.3                    |
| <b>Current value of Member State contributions</b>                    |                        |                          |                          |
| <b>Ninth Replenishment</b>  |                        |                          |                          |
| - Pledges received as at 31 December <sup>d</sup>                     | -----                  | 1 427.5                  | -----                    |
| - Instruments of contribution received as at 31 December <sup>d</sup> | -----                  | 1 396.9                  | -----                    |
| - Payments received as at 31 December <sup>d</sup>                    | -----                  | 1 216.2                  | -----                    |
| - Amount called (drawdown)  | -----                  | 180.7                    | -----                    |
| <b>Tenth Replenishment</b>  |                        |                          |                          |
| - Pledges received as at 31 December <sup>d</sup>                     |                        | -----                    | 872.2                    |
| - Instruments of contribution received as at 31 Dec <sup>d</sup>      |                        | -----                    | 0.2                      |

<sup>a</sup> These estimates are based on exchange rates prevailing at 31 December 2014. Projected disbursements take into account the normal disbursement pattern of the loan and grants portfolio.

<sup>b</sup> This amount includes the excess from 2013 of US\$73.8 million.

<sup>c</sup> This amount includes the excess from 2014 of US\$47.9 million.

<sup>d</sup> The Ninth and Tenth Replenishment pledges and instruments of contributions refer to balances including complementary contributions.