

Document: EB/119
Date: 7 March 2017
Distribution: Public
Original: English

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Minutes of the 119th session of the Executive Board

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Minutes of the 119th session of the Executive Board

I. Introduction

1. The 119th session of the Executive Board was held in Rome on 14 and 15 December 2016. A list of delegations is attached as annex I.
2. The Executive Board had before it the documents listed in annex II.

II. Opening of the session (agenda item 1)

3. The Chairperson, President Kanayo Nwanze, welcomed representatives to the 119th session, and congratulated the newly accredited Executive Board representatives as follows:
 - Mr Nii Quaye-Kumah, Minister, Alternate Permanent Representative of the Republic of Ghana to IFAD;
 - Mr Aidan Fitzpatrick, Development Cooperation Directorate Policy Unit, Department of Foreign Affairs and Trade of Ireland; and
 - His Excellency Mohammed Ahmed M. Alghamdi, Minister Plenipotentiary, Permanent Representative of the Kingdom of Saudi Arabia to FAO.
4. The President welcomed representatives participating in a Board session for the first time, including: Mr Alberto Cogliati, Senior Adviser, International Relations Directorate, Ministry of Economy and Finance of the Republic of Italy; and Ms Harriet Nduma, First Counsellor, Chargé d'affaires, ad interim, Embassy of the Republic of Kenya, His Excellency Abdelhamid Senouci Bereksi, Ambassador and Permanent Representative of the People's Democratic Republic of Algeria to the specialized agencies of the United Nations in Rome, as well as other delegates and observers attending the session and those in the salle d'écoute.
5. In terms of staff developments at the Management level, the President informed the Board that Mr Mikio Kashiwagi, of Japan, had commenced his role as Associate Vice-President, Financial Operations Department, and Chief Financial Officer and Chief Controller, ad interim; and Ms Mame Diagne, of Senegal, as Director of Ethics, ad interim, on 1 October 2016. Mr Advit Nath, a national of Canada, was introduced as the new Director and Controller, Accounting and Controller's Division, as of 1 December.
6. The President also shared highlights of the 118th session of the Executive Board, as well as his recent travels and attendance at events that provided opportunities to expand IFAD's global engagement, in particular:
 - The fiftieth anniversary celebrations of the International Maize and Wheat Improvement Center in Mexico City;
 - The Compact2025 Leadership Council meeting at the International Food Policy Research Institute in Washington, D.C.;
 - The International Monetary Fund/World Bank meetings in Washington, D.C.;
 - A seminar on youth agripreneurship at the International Institute for Tropical Agriculture in Ibadan, Nigeria;
 - A bilateral visit to Canada;
 - The second regular session of the United Nations System Chief Executives in New York in early November, at which the Secretary-General publicly recognized IFAD's services;

- The twenty-second Conference of the Parties of the United Nations Framework Convention on Climate Change (COP22) in Marrakech, at which IFAD had actively participated in several events; and
 - A visit to the IFAD Country Office (ICO) in Islamabad, Pakistan, where he had held meetings with senior government officials.
7. The President also indicated that he had delivered a keynote statement at the seventh Forum on Food and Nutrition in Milan, addressed the All-Party Parliamentary Group on Agriculture and Food for Development in the House of Lords in London, and given a keynote address on the occasion of the roll-out of the IFAD Rural Development Report 2016 in collaboration with the University of Warwick. He noted that he would continue to engage in such advocacy work for IFAD until the end of his tenure on 31 March through his planned missions to Saudi Arabia to meet the Minister for Environment, Water and Agriculture and to Kuwait, before the G20 Ministers of Agriculture meeting in Berlin; and through a country visit to Malawi and Mozambique. He would also visit South Africa for the final roll-out of the Rural Development Report 2016, which the Government of South Africa had referred to as a blueprint that would influence their rural development policy processes going forward.
 8. Regarding the appointment of the next President of the Fund, the President informed the Board that nominations of candidates as communicated by their respective governments had been received and would be conveyed to Governors in the course of the day. He reiterated that he had no role to play in the process but expressed the hope that with the new President, IFAD would continue to deliver on its commitments and mandate to enable poor rural people to transform their lives in an inclusive and sustainable manner.
 9. Finally, the President declared the 119th session of the Executive Board open.

III. Decisions of the Executive Board

A. Adoption of the agenda (agenda item 2)

10. The Executive Board noted the schedule of work as outlined in document EB 2016/119/R.1/Rev.1/Add.1/Rev.1, and adopted the agenda as proposed in document EB 2016/119/R.1/Rev.1. This would be further revised (as EB 2016/119/R.1/Rev.2) to reflect the inclusion of the Maranhão Rural Poverty Alleviation Project in the Federative Republic of Brazil; the inclusion of the item on the Establishment of the Consultation on the Eleventh Replenishment of IFAD's Resources as a result of the recommendations of the Final report of the Ad Hoc Working Group on Governance; the removal of the item on application for non-original membership; and the removal of the Southern Highlands Milkshed Development Project in the United Republic of Tanzania. Upon the request of Board representatives, the item on Collaboration among the United Nations Rome-based Agencies: Delivering on the 2030 Agenda (EB 2016/119/R.45), originally presented for information, would be considered as a document "for review".

B. IFAD's 2017 results-based programme of work and regular and capital budgets, the IOE results-based work programme and budget for 2017 and indicative plan for 2018-2019, and the HIPC and PBAS progress reports (agenda item 3)

11. The Executive Board considered IFAD's 2017 results-based programme of work and regular and capital budgets, the Independent Office of Evaluation (IOE) results-based work programme and budget for 2017 and indicative plan for 2018-2019, and the HIPC and performance-based allocation system (PBAS) progress reports (EB 2016/119/R.2 + Add.1) and the report of the Audit Committee thereon (EB 2016/119/R.3).

12. The Board took note of the summaries provided by the representative for Indonesia on behalf of the Chairperson of the Evaluation Committee, and by the representative for Germany on behalf of the Chairperson of the Audit Committee.
13. List A countries noted with appreciation that the comments provided at the 118th session of the Board had been incorporated into the document, in particular the recommendation to adhere to strict budget discipline and stay as close as possible to a zero real growth budget.
14. It was noted that projected cost drivers were the same as for the previous budget and Management was urged to remain vigilant for opportunities to contain costs. List A also requested that Management adhere to the same standards of cost consciousness with regard to budget execution, keeping in mind the impact of the recent appreciation of the United States dollar vis-à-vis the euro. One representative expected that the budget utilization rate would fall in light of this appreciation. Management noted that the nominal budget level would be adjusted accordingly, in a transparent way.
15. In response to a question concerning efficiency gains, Management responded that in addition to cost efficiencies, time and streamlining efficiencies were also being considered. A brochure on recent efficiencies achieved would be presented for the Consultation on the Eleventh Replenishment of IFAD's Resources (IFAD11). Management cited some examples of efficiencies, such as the increase in the average value of IFAD financing per project; the decrease in schedule overrun of projects; and reduced international travel thanks to video-conferencing facilities, which allowed for an increase in local travel in the field within the same travel budget.
16. Management mentioned the establishment of subregional hubs as a potential cost-saving measure. In addition, Management drew attention to some staff-related cost reductions, such as the decrease in the number of General Service staff at headquarters and the removal of the provision for salary increases in the Professional staff category, amounting to US\$679,000.
17. Noting the continued increase in non-Programme Management Department positions at headquarters, one representative requested that an extremely high bar for additional positions in headquarters be applied, while recognizing the potential need for additional resources to meet new demands, such as in the Financial Operations Department.
18. While commending IFAD's ambition to implement a US\$1.5 billion programme of loans and grants in the second year of IFAD10, the Board expressed concern that a gap between the projected programme of loans and grants and the resources available for commitment could arise, should contributions, sovereign borrowing or future replenishments fall short of expectations.
19. Management was requested to balance the potential financial impact caused by the increasing volume of operations by promoting decentralization and to ensure that the key activities were adequately funded through optimization of budget allocations.
20. The Board requested additional information on the actual and projected levels of unrestricted complementary contributions in 2016 and 2017, and the targets for such contributions. Management noted that US\$99 million in pledges had been received, of which approximately US\$91 million were earmarked for climate change, US\$3 million for nutrition and US\$5 million for South-South and Triangular Cooperation (SSTC).
21. In response to a question regarding the decrease in the gender mainstreaming indicator, Management stated that this was the result of a more rigorous methodology. Management also explained that IFAD was shifting the focus from

gender mainstreaming to gender transformation, and that gender transformation would be pursued within the projects. In addition, recognizing the need to build capacity, a well-known gender specialist from Nairobi would be recruited for headquarters. The Board was also informed about IFAD's outposted regional gender focal points. Management shared UN Women's finding that IFAD was still leading in efforts to achieve greater gender equality and women's empowerment, compared to other agencies.

22. Regarding a query on compliance with the target of allocating 45 to 50 per cent of financing to sub-Saharan Africa over the IFAD10 period, Management gave assurances that IFAD would meet this target over the 2016-2018 period, but explained that the total allocation could vary from year to year. At present, an estimated 49 per cent of core resources were allocated to sub-Saharan Africa.
23. The Executive Board approved submission to the fortieth session of the Governing Council of:
 - (i) The programme of work for 2017 at a level of SDR 1,079 million (US\$1,500 million), comprising a lending programme of SDR 1,041 million (US\$1,447 million) and a gross grant programme of US\$53 million, and noted that the programme of work would be approved at this level for planning purposes and adjusted as needed during 2017 in accordance with available resources;
 - (ii) The appropriation for the special expenditure budget for the IFAD11 Replenishment exercise in the amount of US\$1.04 million;
 - (iii) The administrative budget comprising, first, the regular budget of IFAD for 2017 in the amount of US\$149.42 million; second, the capital budget of IFAD for 2017 in the amount of US\$2.4 million; and third, the budget of the IOE for 2017 in the amount of US\$5.73 million;
 - (iv) The substance of the progress report on IFAD's participation in the Heavily Indebted Poor Countries Debt Initiative, for information; and
 - (v) A progress report on implementation of the PBAS, and its addendum containing the 2016 country scores and 2017-2018 allocations.
24. Furthermore, the Executive Board considered the draft resolution as contained in the document and approved its submission, together with its recommendations, to the fortieth session of the Governing Council in February 2017 for consideration and adoption.

C. IFAD strategy for engagement in countries with fragile situations (agenda item 4)

25. The Board discussed IFAD's strategy for engagement in countries with fragile situations together with IOE comments thereon, as contained in document EB 2016/119/R.4 and its addendum.
26. The Board commended IFAD Management for responding to the recommendations of the corporate-level evaluation (CLE) on fragility and incorporating the comments provided at the September Board session to enhance the definition of fragility to reflect its national and subnational nature; provide additional indicators; and focus on how men and women are affected differently by fragility. Through a joint statement, List C welcomed the principles underlying the strategy, the focus on strengthening fragility analysis, project design and supervision and implementation support in fragile situations, and the additional efforts to leverage partnerships.
27. Members commended Management on improvements over previous drafts of the strategy: its reference to the Committee on World Food Security, mobilization of additional resources for fragile situations, planned knowledge management initiatives, and incorporation of fragility indicators into the Development

Effectiveness Framework and the Results and Impact Management System. The Board made some additional suggestions for consideration, as follows:

- (a) Provide a more streamlined list of countries with fragile situations;
 - (b) Define modalities for IFAD staff safety in fragile situations. In this respect, Management informed the Board that guidelines were being developed and would be ready in 2017;
 - (c) Strengthen monitoring and evaluation in operations in areas with fragile situations;
 - (d) Seek collaboration with other United Nations agencies and international organizations operating in fragile situations to avoid duplication; and
 - (e) Ensure that the strategy fitted well into the holistic approach. In particular, the Board requested that resource allocation through the PBAS be reviewed to establish the balance between performance and poverty levels in countries with fragile situations. Representatives expressed the view that the strategy should be well aligned with the other aspects of the holistic approach, especially the PBAS.
28. The representative of the United States of America also indicated that they would be willing to consider devoting additional resources to fragile states in parallel to the PBAS once there was clarity on how such resources would be effectively utilized to address fragility. He urged Management to ensure that the strategy was implemented in line with IFAD's mandate, and expressed reservations about the proposed re-engagement in countries with fragile situations where operations had been previously put on hold. The representative also requested that a framework be put in place to guide working arrangements with NGOs in such countries.
29. The Board approved the strategy for engagement in fragile situations, including the updated definition of fragility and classification, the guiding principles, the proposals for strengthening IFAD's organizational and operational approaches in areas of fragility, and the principle of additional resource provision for the most fragile situations, where there was demand and proven absorptive capacity. By the end of 2017, IFAD would develop new guidelines and update existing ones to implement the proposals contained in the strategy.

D. Approach to PBAS review (agenda item 5)

30. The Executive Board reviewed document EB 2016/119/R.5, the Approach to the review of the performance based allocation system, reflecting the results of the first phase of the review process which assessed the relevance and effectiveness of variables in capturing country needs and performance, and the PBAS management process. The Board welcomed the basic principles of simplicity and transparency in reviewing the formula, and reiterated that the formula should not be overloaded with variables.
31. Representatives supported the removal of the Country Policy and Institutional Assessment variable from the formula and requested that Management incentivize performance by ensuring a fair balance between country needs and performance. Several representatives also supported the retention of gross national income as a useful indicator, given its strong correlation with other dimensions of poverty.
32. One representative noted that, while a poverty-specific component would have been ideal, the proposed nutrition-related variable adequately covered the poverty-related issues. Representatives mentioned the need to assess the impact of the proposed changes to the formula before its approval, and Management informed them that such simulations would be carried out in the second phase of the review process, in close collaboration with members of the PBAS Working Group.

33. Representatives agreed that the data needed for the variables to be included in the formula should be easily accessible and not too costly. One representative urged Management to ensure consultations with all stakeholders to build consensus for a revised formula. The Board further requested that, given the interrelatedness of the PBAS and the issue of fragility, the two items should be reviewed together to ensure cohesiveness and coherence.

E. IFAD's approach to South-South and Triangular Cooperation (agenda item 6)

34. Responding to the growing importance of SSTC as a development tool and changes in the internal and external development landscape, document EB 2016/119/R.6 was presented to the Board to outline IFAD's enhanced approach, building on the earlier approach presented in 2011 (REPL.IX/3/R.3).
35. The Board expressed appreciation for the quality of the document. Regarding the new activities in the framework of SSTC, in particular support for the development of regional learning centres and the establishment of a web platform, Management was urged to consider cost-benefit ratios and to make greater use of partnerships or existing SSTC channels. Management provided further information on the importance and cost of the web platform, in which the Rome-based agencies (RBAs) had also expressed interest.
36. A representative suggested exploring the possibility of establishing an ad hoc financing mechanism in the form of a multi-donor fund to support SSTC activities.
37. The Board highlighted the importance of SSTC, as it allowed developing countries to exchange experiences and knowledge and fostered solidarity, while also helping rural people to build resilience. Several representatives recognized IFAD's unique position in strengthening this kind of cooperation and facilitating knowledge exchange. Representatives also underlined their commitment to support IFAD in this area. They considered SSTC as a tool that would add value to global development, and that should be strengthened in IFAD's activities and programmes. In a joint statement, List C countries expressed support for SSTC as the best way to promote solidarity among developing countries, as it drew on their comparative advantages.
38. Management was encouraged to make use of its global reach and convening power and develop partnerships with companies and cooperatives to facilitate opportunities for smallholders and their organizations.
39. To avoid duplication of efforts, the Board suggested that IFAD coordinate and cooperate with other United Nations agencies, in particular with the Office for South-South Cooperation. Management informed the Board of the ongoing cooperation with the RBAs in the area of SSTC. Management was urged to inform the Board regularly about the activities undertaken in the framework of SSTC.
40. Management recalled that the SSTC was enshrined as a key approach for promoting rural transformation in the IFAD Strategic Framework 2016-2025 and was also embedded in the IFAD10 commitments. Further information was provided to the Board regarding IFAD's efforts in this area, in particular the establishment of an interdepartmental Working Group on SSTC to ensure better coordination; enhancement of monitoring and evaluation capacities; and plans to strengthen reporting on SSTC through the Report on IFAD's Development Effectiveness and through a complementary report currently being planned.
41. Responding to a query on the definition for South-South cooperation, Management clarified that they had used the definition adopted by the United Nations Office for South-South Cooperation; and had refrained from introducing a new definition. Management also explained that IFAD's role in SSTC was to facilitate smallholder agriculture and rural sector development.

42. The Board was informed that while SSTC was being mainstreamed through the PBAS in country programmes, the financing mechanism would help fund special initiatives, especially at the global or cross-regional level. The Board reviewed and noted the information contained in the document.

F. Evaluation (agenda item 7)

- (a) Ninety-fourth session of the Evaluation Committee
 (b) Ninety-fifth session of the Evaluation Committee
43. The Executive Board took note of the oral reports on the ninety-fourth and ninety-fifth sessions of the Evaluation Committee presented by Mr Des Alwi (Indonesia), on behalf of the Chairperson, Mr Rishikesh Singh (India). The reports were based on minutes of the sessions as contained in documents EB 2016/119/R.7 and EB 2016/119/R.51.
44. The Board noted the various items considered by the Committee at both sessions and the comments provided on the high-level preview of the IOE budget, the strategy for engagement in countries with fragile situations, country programme evaluations, evaluation synthesis reviews, impact evaluations and the CLE on decentralization. The Board noted that the Committee had approved its provisional agenda for 2017, the dates of the four planned sessions and their respective agendas.
- (d) Corporate-level evaluation of IFAD's decentralization experience
45. The Board reviewed IOE's CLE of IFAD's decentralization experience and Management's response thereon, document EB 2016/119/R.10 + Add.1, conducted in 2016 and covering the period from 2003 through mid-2016. The Board thanked IOE for the effort made to complete the evaluation in time for it to feed into the preparation of the IFAD Corporate Decentralization Plan. The Board welcomed the findings of the CLE, which confirmed the relevance of the decentralization process, the contribution of country presence to improved partnerships and its capacity to provide timely and responsive implementation support, and thus deliver better development results.
46. The Board thanked Management for following up on the recommendations of the CLE in its Corporate Decentralization Plan. Representatives expressed concern that the potential cost-savings of restructuring through decentralization had not been realized and that Programme Management Department staff levels at headquarters had barely changed since 2008. Management informed the Board that the shift in staffing would be gradual, and added that General Service positions at headquarters would be reduced by 10 by the end of IFAD11.
47. In response to a question about the CLE results, IOE informed the Board that to assess the difference in performance between countries with country offices and those without, indicators from independent evaluations had been used, in addition to a limited number of indicators from self-evaluations.
48. The Board expressed support for all the CLE recommendations, and noted the need to further refine the country presence strategy for continued enhancement of the quality of operational performance and development results.

G. IFAD Corporate Decentralization Plan (agenda item 8)

49. The Executive Board then reviewed the IFAD Corporate Decentralization Plan, together with IOE comments thereon, document EB 2016/119/R.11 + Add.1, and noted with satisfaction that the plan built on the CLE on decentralization.
50. The Board, welcomed the harmonized plan to consolidate the capacity of existing country offices, and the mix of three country office models. Management was asked to elaborate on the criteria for establishing subregional hubs, country programme groups and stand-alone country offices. The Board also requested Management to

consider the experiences of other international organizations when conducting the functional and workload analysis that would inform reorganization of the country offices; and to clarify what would constitute the “critical mass” needed to establish a subregional hub. Management indicated that some of the criteria used to situate subregional hubs would include stability and connectivity. Key staff positions at subregional hubs would include programme management, financial management, monitoring and evaluation, and thematic experts for gender, climate change and nutrition.

51. The Board expressed its support for greater delegation of authority to country offices, but sought clarification on the extent of such delegation in terms of decision-making on lending.
52. In response to the request for more information regarding the cost estimates and exceptions used to arrive at the net cost increment of US\$1.6 million by the end of IFAD11, Management explained that this was based on what was planned, and that budgeting and functional analysis were being undertaken in parallel to ensure that results of the latter fed into the refinement of the former. Management informed the Board that the functional and workload analysis would be completed in the first half of 2017.
53. Regarding staffing levels at headquarters vis-à-vis decentralization, Management clarified that the shift was under way, and that 20 country programme managers had already been outposted. This process would be gradual as, for example, General Service positions at headquarters were being phased out and additional positions would be created in the country offices.
54. Overall, the Board supported the decentralization plan as a good way forward in enhancing IFAD’s work in its Member States, and requested that updates on its implementation – including implementation costs and an assessment of progress – be presented at a future Board session.

H. IFAD Development Effectiveness Framework (agenda item 9)

55. The Board reviewed document EB 2016/119/R.12, the IFAD Development Effectiveness Framework, which elaborated on Management’s efforts to measure the results of IFAD-funded activities, for enhanced learning and accountability. The Board welcomed this initiative and highly commended IFAD for pioneering it, noting that not only would it enhance learning and accountability, it would enable better and clearer reporting of IFAD’s development impact to its Member States and other stakeholders.
56. The Board noted that the framework would strengthen results through the project cycle, enhance self-assessment, improve monitoring and evaluation capacity of IFAD and government counterparts, foster the use of evidence in decision-making at all levels, and establish a clear link between project and corporate results. To further refine the framework, the Board commented on the need to better define learning, project effectiveness, and the link between project activities and outcomes.
57. Representatives thanked Management for the planned disaggregation of data by gender and age, but asked whether it would be possible to include also disability. Management acknowledged the importance of disaggregation by disability but as the relevant data were not yet adequately captured in country systems, the starting point would be to build the needed capacity and encourage partners to capture such data.
58. In response to a question regarding the extent to which data were used for real-time project readjustment and redesign, Management informed the Board that this was already possible, but was not common. To enhance such practices, Management would develop, as part of the effectiveness framework, a restructuring policy with clear procedures and incentives for country-level task managers so as to

ensure that data collected at project level were used to effect timely requisite changes. Furthermore, Management was finalizing project supervision guidelines to empower managers to incorporate project redesign at start up and during the midterm review, as more data were collected.

I. Proposed refinement to the IFAD10 Results Measurement Framework (agenda item 10)

59. The Board welcomed the Proposed refinements to the IFAD10 Results Measurement Framework provided in document EB 2016/119/R.13. The Board noted that the refinements were based on the results of the IFAD9 impact assessment, the midterm review on gender, other evaluation findings, and the approved Sustainable Development Goals framework.
60. While appreciating that these adjustments were appropriate in enhancing IFAD's focus on impact, the Board requested that in future, additional efforts be made to disaggregate Level 2 data and enhance the focus on gender equality and women's empowerment indicators, for example, beyond disaggregation by sex. Management summarized the evolution of results measurement from IFAD8 to date, and indicated that the current focus on four Level 2 indicators linked to the strategic framework was a step forward, and that there would be an eventual progression towards including other indicators. The Board welcomed the plan to include non-lending activities in the framework, and asked Management to provide a timely review of the newly introduced indicators on economic mobility, to assess their relevance to IFAD's overarching goal.
61. Regarding the change in disbursement ratio targets, representatives requested more detailed information on disbursement scenarios, possibly in the context of an informal seminar. Management indicated that a study on disbursement had been conducted to inform the targets, and that a working group to review how to monitor and measure disbursements was in place. On the concern about the accuracy of impact projections, as only 15 per cent of projects underwent impact assessment, Management explained that this reflected learning as well as portfolio performance. Management further noted that 15 per cent was a good starting point given the cost of impact assessments and the fact that more frequent assessments did not lead to significant new learning.

J. Country strategic opportunities programmes (COSOPs) and country programme evaluations (CPEs) (agenda items 11 and 7[c])

62. The Executive Board reviewed the COSOPs for Colombia, Ethiopia, Malawi, Nigeria and Pakistan. In line with the proposal to present CPEs to the Board in conjunction with the related COSOP, the CPEs for Ethiopia and Nigeria were also considered under this item. IOE provided comments on the related COSOPs, further to the request made by the Board at its April session in 2013 to receive notes from IOE on COSOPs for which CPEs had been conducted.
63. The Board welcomed the COSOPs and their relevant and realistic strategic objectives, and thanked IFAD for the continued prioritization of rural development and alignment with the development agendas of the various countries. The Board also acknowledged the excellently organized informal seminars at which some of the COSOPs had been discussed. Representatives requested that the COSOP documents be made available in advance of the informal seminars whenever possible, to enable them to prepare accordingly.

(a) Colombia

64. The Executive Board reviewed and fully supported the new COSOP for Colombia, the preparation of which coincided with the final phase of the peace negotiations that resulted in an agreement to end the longest-running war in Latin America. The Board endorsed the COSOP objectives and the proposed project concepts, noting that the COSOP was fully aligned with the current priorities of the country. Representatives for Argentina, Germany, Mexico, Spain and the United States highlighted the importance of the new COSOP in the post-conflict scenario, commending IFAD for excellent work and for being present at this historic moment for Colombia. They also noted that the peace accord prioritized rural development, rural poverty reduction and a closing of the urban-rural gap through comprehensive rural reform that included institutional changes. Germany emphasized the importance of flexibility in the country's evolving context, mentioning also the relevance of policy dialogue, SSTC and partnership, as included in the COSOP, to ensure effective cooperation with the country. Finally, a representative of the Republic of Colombia shared a statement praising IFAD for preparing a new strategy that was fully aligned with the country's priorities and needs, and above all, the implementation of the peace accord and the consolidation of peace.

(b) Ethiopia

65. The Executive Board commended Management for the excellent quality of the COSOP, which adequately incorporated the findings of the equally high-quality CPE. The deliberations highlighted the relevant and realistic nature of the strategic objectives and expected results. The Board acknowledged in particular the increased attention to post-harvest losses and market access, including the linkage with the integrated agro-industrial parks that the Ministry of Industry was establishing with support from the United Nations Industrial Development Organization and other development partners. The Executive Board encouraged IFAD to develop programmatic linkages with the Government's flagship programmes in the agricultural sector, particularly with the Sustainable Land Management Programme, and to strengthen its presence and participation in the sector working group to enhance collaboration, harmonization and synergy, and enable joint policy engagement within the agriculture sector.

(c) Malawi

66. The Board reviewed the COSOP for Malawi for 2016 to 2022, noting that Malawi and the whole Southern Africa subregion were being affected by the El Niño-induced drought. The adverse climate conditions had transformed Malawi from a grain exporter into a net food importer. In addition, the number of malnourished people had sharply increased during the past 12 months, confirming the strong impact of the drought on rural livelihoods. The strategic objectives of boosting the climate resilience and food and nutrition security of smallholders and enhancing their capacity to transform farming into small businesses were appropriately addressed the challenges faced by Malawi. The COSOP had also adequately incorporated such cross-cutting issues as SSTC, climate change and gender. The envisaged decentralization of IFAD would foster joint programming with other development partners and effective policy dialogue.

(d) Nigeria

67. The Board reviewed the COSOP for Nigeria for 2016 to 2021, including the two concept notes for the Rural Agribusiness Sector Enhancement Programme in southern Nigeria and the additional financing for the ongoing Value Chain Development Programme in the north-central part of Nigeria. The representative for Egypt welcomed the document and recognized that the two concept notes reflected IFAD's commitment to reduce poverty in northern and southern Nigeria. The COSOP provided for women's inclusion, climate change adaptation, policy engagement and South-South cooperation and built on the lessons learned from IFAD engagement since 1985. The continuous engagement in poor rural and peri-urban areas would

ensure IFAD's success in poverty reduction. The Board supported the strategic objectives, which focused on women and youth and institution-strengthening. Responding to a request for clarity on private-sector engagement in agribusinesses, Management noted that IFAD was working with the private sector at different levels to make extension more multifaceted, including both the public and the private sector. The representative for Nigeria remarked that the COSOP was both critical and realistic, as it responded to the challenging and diverse country context and had identified specific ways of engaging target groups in different parts of the country.

(e) Pakistan

68. The Executive Board reviewed the COSOP for Pakistan (EB 2016/119/R.18). The representative of Pakistan commended IFAD for its presence in remote and difficult areas of the country. While conveying the full endorsement of the COSOP by the Government of Pakistan, the representative highlighted as a priority the investments in water security and water harvesting, particularly in areas affected by climate change. He furthermore expressed the desire of the Government of Pakistan for future IFAD operations in other remote areas, such as the federally administered tribal areas.

K. Resources available for commitment (agenda item 12)

69. Based on the projected long-term sustainable cash flow position for IFAD estimated as at 22 September 2016 and on programmed borrowing, the Executive Board noted the current and estimated future net cash position of the Fund, generated by projecting cash outflows (resulting from financial obligations) against current and projected future cash inflows, as presented in document EB 2016/119/R.19; and, on this basis, authorized the President to conclude agreements for loans and grants to be approved by the Board in 2017 up to US\$826 million.

L. Proposed amendments to the instrument establishing the trust fund for the IFAD Adaptation for Smallholder Agriculture Programme (agenda item 13)

70. Management provided document EB 2016/119/R.20, on Proposed amendments to the instrument establishing the trust fund for the IFAD Adaptation for Smallholder Agriculture Programme to the Executive Board for approval. The Board noted that the document proposed modalities of operation for the Adaptation for Smallholder Agriculture Programme (ASAP) trust fund beyond its initial five-year period and IFAD's climate mainstreaming agenda, and portrayed how activities and outputs under a second phase (ASAP2) would contribute to achieving climate mainstreaming outcomes at the portfolio level.
71. The Board thanked IFAD for revising the document based on feedback provided prior to the session, and approved the proposed amendment to the trust fund as set out in the annex, and the orientation of ASAP2 through a continued consultative process to further enhance IFAD's climate agenda.
72. In response to a question regarding the choice to amend the original instrument establishing the ASAP trust fund rather than create a separate instrument for ASAP2, Management noted that the original instrument establishing the ASAP trust fund, as approved by the Executive Board at its 105th session, contemplated the possibility of receiving supplementary funds. As ASAP1 resources were already fully committed, the amendments would only concern the new resources that would be provided as supplementary funds for ASAP2.
73. The Board noted that ASAP2 would support IFAD programmes in influencing policies, creating an enabling environment and sharing knowledge with other partners. List A members, through a joint statement, called upon Management to refresh the climate change and environment strategies to show how IFAD would utilize its Green Climate Fund accreditation to secure funds for country projects,

and how, through partnerships, it would support implementation of nationally determined contributions to deliver commitments from the Paris Agreement. Management reiterated that the climate change strategy, being a long-term document would, together with other strategies, be revised within the comprehensive framework of the midterm review of the Strategic Framework planned for 2020.

74. Regarding the recommendation to Management that it develop an action plan and results framework demonstrating how ASAP2, unrestricted complementary contributions, support from the Green Climate Fund and Global Environment Facility, and collaboration with other development partners fit together in contributing towards climate mainstreaming in IFAD activities, Management indicated that it would continue to rely on the recently approved 10-point plan for mainstreaming climate in IFAD operations and that relevant indicators on climate would be incorporated into the Development Effectiveness Framework.

M. Project/programme proposals for consideration by the Executive Board (agenda item 14)

(a) East and Southern Africa

Zambia: Enhanced Smallholder Agribusiness Promotion Programme

75. The Executive Board considered the proposal contained in document EB 2016/119/R.22 with its addendum and negotiated financing agreement, and adopted the following resolutions:

RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Republic of Zambia in an amount equivalent to fifteen million five hundred thousand special drawing rights (SDR 15,500,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a grant to the Republic of Zambia in an amount equivalent to seven hundred and forty thousand special drawing rights (SDR 740,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

(b) Asia and the Pacific

(i) Cambodia: Accelerating Inclusive Markets for Smallholders Project

76. The Executive Board considered the proposal contained in document EB 2016/119/R.23 with its addendum and negotiated financing agreement, and adopted the following resolution:

RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Kingdom of Cambodia in the amount of thirty-six million three hundred thousand United States dollars (US\$36,300,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

(ii) India: Andhra Pradesh Drought Mitigation Project

77. The Executive Board considered the proposal contained in document EB 2016/119/R.24 with its addendum and negotiated financing agreement, and adopted the following resolution:

RESOLVED: that the Fund shall provide a loan on blend terms to the Republic of India in an amount equivalent to seventy-five million five hundred thousand United States dollars (US\$75,500,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

(iii) Viet Nam: Commercial Smallholder Support Project in B c Kan and Cao B ng

78. The Executive Board considered the proposal contained in document EB 2016/119/R.26 and adopted the following resolutions:

RESOLVED: that the Fund shall provide a loan on blend terms to the Socialist Republic of Viet Nam in an amount equivalent to forty two million five hundred thousand United States dollars (US\$42.5 million), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

FURTHER RESOLVED: that the Fund shall provide a grant to the Socialist Republic of Viet Nam in an amount equivalent to five hundred thousand United States dollars (US\$0.5 million), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

(c) Latin America and the Caribbean

(i) Ecuador: Catalysing Inclusive Value Chain Partnerships Project (DINAMINGA)

79. The Executive Board considered the proposal contained in document EB 2016/119/R.27 with its addendum and negotiated financing agreement, and adopted the following resolutions:

RESOLVED: that the Fund shall provide a loan on ordinary terms to the Republic of Ecuador in the amount of twenty-five million six hundred and sixty thousand United States dollars (US\$25,660,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a grant to the Republic of Ecuador in the amount of two hundred and fifty thousand United States dollars (US\$250,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

(ii) Brazil: Maranhão Rural Poverty Alleviation Project

80. The Executive Board considered the proposal contained in document EB 2016/119/R.53 and adopted the following resolution:

RESOLVED: that the Fund shall provide a loan on ordinary terms to the State of Maranhão of the Federative Republic of Brazil in the amount of fourteen million three hundred thirteen thousand special drawing rights (SDR 14,313,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

81. The Executive Board approved the Maranhão Rural Poverty Alleviation Project in Brazil subject to the completion of negotiations of the financing agreement and guarantee agreement before 31 March 2017. A copy of the negotiated financing agreement and guarantee agreement would be tabled at the Board session in April 2017, along with any substantive changes to the terms presented to the Board at the present session. The project had initially been submitted for approval under the lapse-of-time procedure, but upon request of the Brazil representative, was presented for approval at the formal Board session as negotiations would not be finalized by the end of the year.

(d) Near East, North Africa and Europe

Kyrgyzstan: Access to Markets Project

82. The Executive Board considered the proposal contained in document EB 2016/119/R.28 with its addendum and negotiated financing agreement, and adopted the following resolutions:

RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Kyrgyz Republic in an amount equivalent to nine million three hundred and ninety thousand special drawing rights (SDR 9,390,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a grant under the Debt Sustainability Framework to the Kyrgyz Republic in an amount equivalent to nine million three hundred and ninety thousand special drawing rights (SDR 9,390,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

N. Grant proposals for consideration by the Executive Board (agenda item 15)

83. The Board considered and approved the following grant proposals:

(a) Grant under the global/regional grants window to Transtec to Improve Dryland Livelihoods in Djibouti and Somalia through Productivity-enhancing Technologies (EB 2016/119/R.29).

84. The Executive Board approved this grant and adopted the following resolution:

RESOLVED: that the Fund, in order to finance, in part, the Improve Dryland Livelihoods in Djibouti and Somalia through Productivity-enhancing Technologies project, shall provide a grant in the amount of two million United States dollars (US\$2,000,000) to Transtec for a four-year period, and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

(b) Grant under the regional/private sector grant window to the MicroInsurance Centre for Managing Risks for Rural Development: Promoting Microinsurance Innovations (EB 2016/119/R.30).

85. The Executive Board approved this grant and adopted the following resolution:

RESOLVED: that the Fund, in order to finance, in part, Managing Risks for Rural Development: Promoting Microinsurance Innovations, shall provide a grant in the amount of one million eight hundred thousand United States dollars (US\$1,800,000) to the MicroInsurance Centre for a 48-month period, and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board herein.

O. Proposed framework for new financing facilities: Enhancing IFAD's catalytic role in mobilizing resources for rural transformation (agenda item 16)

86. The Executive Board reviewed the Proposed framework for new financing facilities: Enhancing IFAD's catalytic role in mobilizing resources for rural transformation (document EB 2016/119/R.31). The document highlighted Management's efforts to pursue opportunities for greater engagement with foundations, and private sector and institutional investors aligned with IFAD work. In particular, the document provided details of three new financing facilities currently under consideration.

87. The Board thanked Management, expressed support for the proposal, and welcomed the initiative as an innovative and proactive mechanism for resource mobilization at a time when most traditional donors were having financing difficulties.

88. A concern was raised about whether mobilizing resources from other development financiers and foundations and deploying such resources to the private sector was in line with the Agreement Establishing IFAD. In response, Management recalled that IFAD's objective, as set forth in article 2, was "to mobilize additional resources to be made available on concessional terms for agricultural development in

developing Member States". Furthermore, a distinction ought to be made between the resources of the Fund as defined in article 4, and the resources that belonged to others, also called supplementary funds. In accordance with article 7, sections 1 and 2, the resources of the Fund could only be used to provide financing to developing Member States or to intergovernmental organizations in which such Members participate, or to provide grants in accordance with the Policy for Grant Financing, which was approved in 2009 and revised in 2015. By contrast, supplementary funds could be used by IFAD "for ancillary activities ... in furtherance of its objective" as set forth in article 7, i.e. with no limitations as to the use of such resources to provide finance to the private sector.

89. The Board asked whether IFAD had the appropriate staff capacity to establish and implement such instruments as equity investments. Management reiterated that its primary focus would continue to be on mobilization of core resources, and noted that the Board had the authority to establish procedures that would allow the acceptance of supplementary funds to provide loans to and make equity investments in private companies. The Board also emphasized that there would be a need to:
- (a) Demonstrate that the effects of managing financing from numerous donors would not undermine the management of core programmes;
 - (b) Establish quality control measures and criteria for selecting the best private-sector-led models to scale up, to ensure that only those that fully benefited rural smallholder farmers were selected; and
 - (c) Understand what role, if any, such foundations and partners would play in the decision-making processes, what role the Executive Board would play, and under what criteria the funding would be utilized.
90. One representative expressed a concern about the indicated loan size for households, which seemed large, and asked whether this could derail the targeting of smallholder farmers. Management clarified that the size of loan pertained to groups of households that might organize themselves into microenterprises. Members raised a concern as to whether IFAD had the technical capacity to manage direct investment in small- and medium sized enterprises.
91. The Board stressed the importance of continuing the dialogue on these financing options in the future, to further streamline issues raised, such as transparency and accountability and the criteria for the allocation of resources obtained through the proposed financing instruments. Management reiterated that this document was presented for review to obtain the Board's feedback, and noted that the call to be cautious in exploring the new financing modalities was valid.
- P. Country visits of the IFAD Executive Board (agenda item 17)**
- (a) Report on the 2016 country visit of the IFAD Executive Board to Brazil
92. The Executive Board welcomed the oral report delivered by the representative for Nigeria, regarding the visit by the Executive Board to Brazil.
93. Board representatives had found the visit very productive. They stressed the importance of country visits as an opportunity for Board representatives to interact and learn more from one another and, especially, to learn from producers and staff members involved in the projects. They also noted that sharing their experiences helped other Board representatives to enhance their critical oversight function and strategic role.
94. Representatives emphasized the value-added of the informal interactions during the country visit, and they recommended considering this as an additional objective of future country visits.

- (b) Dates of the IFAD Executive Board country visit for 2017 to the Democratic Republic of the Congo
95. The Board reviewed document EB 2016/119/R.32, and noted that the overall country context in the Democratic Republic of the Congo was not conducive for an Executive Board visit in 2017. The Board therefore agreed to move the country visit to Bangladesh from 2018 to 2017, and approved the proposed dates of 27 November to 1 December 2017.
- Q. Proposal for the provision of “seed money” for two strategic initiatives: (i) the scaling up of the Participatory Natural Resource Management Programme through the IFAD Fund for Gaza and the West Bank; and (ii) the Rural Economic Growth and Employment Project in Jordan through the IFAD Facility for Refugees, Migrants, Forced Displacement and Rural Stability (agenda item 18)
96. The Board discussed the proposal for the provision of “seed money” for two strategic initiatives: (i) the scaling up of the Participatory Natural Resource Management Programme (PNRMP) through the IFAD Fund for Gaza and the West Bank; and (ii) the Rural Economic Growth and Employment Project (REGEP) in Jordan through the IFAD Facility for Refugees, Migrants, Forced Displacement and Rural Stability (FARMS), as contained in document EB 2016/119/R.33.
97. Representatives noted that the first initiative was to scale up achievements of the PNRMP through the IFAD Fund for Gaza and the West Bank, to benefit about 50,000 people, while the FARMS initiative would support Jordan in responding to the refugee crisis and contribute to the objectives of the Government’s “Response Plan for the Syria Crisis” to promote rural resilience.
98. The Board further noted that the initiatives had been designed to attract additional contributions from Member States and other donors, with a target of raising US\$20 million for the PNRMP and up to US\$100 million for FARMS.
99. Responding to a question about the cofinancing by the United Nations Development Programme of the PNRMP already initiated in the first phase, Management indicated that cofinancing could come not only from United Nations Development Programme, but also from other bilateral and multilateral donors. Regarding the targeting of Syrian refugees as beneficiaries of the REGEP project, Management mentioned that around 200,000 refugees were being targeted and that, in collaboration with the United Nations High Commissioner for Refugees, efforts were under way to refine and specify the targets to better improve livelihoods and reduce vulnerability. Management also informed the Board that the funds would be utilized both for the REGEP project, and for a new livestock project to be designed and presented to the Board in December 2017.
100. While commenting on the great need in Jordan arising from the pressure on land in rural areas given that about 80 per cent of the refugees were not staying in camps, the representative for Switzerland informed the Board that they were seriously considering providing funding to FARMS.
101. A representative raised a question regarding the use of the fees retained as a contingency for potential liabilities, and whether such funds were returned to the contributing body or retained by IFAD. Management explained that given the complexity of agreements and the inability to know upfront which expenditures were allowable and which were not, the funds were in place to mitigate against the need to provide refunds. Regarding the current level of the fees and the plan to use them for other purposes, the Board noted that a total of US\$11.4 million was available and that Management could use the funds for strategic, overarching initiatives. It was also noted that in view of the growing fiduciary and financial

management responsibility associated with these funds, the fees were not expected to accumulate again.

102. The Executive Board approved the provision of an amount of US\$8.0 million as seed money for both initiatives: scaling up of the PNRMP through the IFAD Fund for Gaza and the West Bank, and REGEF through FARMS. The reserves of supplementary fund fees accumulated by IFAD in the recent past were the source of the seed money.

R. Financial matters (agenda item 19)

(a) Report of the Chairperson of the Audit Committee on the 142nd meeting

103. The Executive Board reviewed the Report of the Chairperson on the 142nd meeting of the Audit Committee, as contained in document EB 2016/119/R.34, noting the information provided.
104. The oral summary provided by the representative for Germany focused on deliberations held on four issues, namely: the proposal to enter into a borrowing agreement with Agence Française de Développement, the briefing on technical issues related to borrowing from the capital markets, the update on the working group on assessment of IFAD's Policy and Criteria for Financing and terms, and Sweden's announcement to withdraw from Audit Committee membership.
105. Regarding the issue of the vacant Audit Committee seat, the List A Convenor informed the Board that List A did not yet have a nominee to replace Sweden, but noted that she would try to identify a nominee before the Committee meeting in April. The Chair encouraged List A to discuss and propose a replacement that could be approved by vote of correspondence before the next Committee meeting.

(b) Selection of the external auditor of IFAD for the period 2017-2021

106. Having considered document EB 2016/119/R.35, the Board approved the appointment of Deloitte & Touche as external auditor of IFAD for 2017-2021, as nominated by the Audit Committee at its 141st meeting.
107. The President reminded the Audit Committee to ensure the application of best industry practice in terms of the length of contract for an external auditor. This consideration was supported by the Board.

(c) IFAD's Investment Policy Statement

108. The Executive Board approved IFAD's Investment Policy Statement as contained in document EB 2016/119/R.36 and noted the information contained in addenda I and II.

(d) Workplan for IFAD's Office of Audit and Oversight for 2017

109. The Executive Board considered the Workplan for IFAD's Office of Audit and Oversight for 2017, as contained in document EB 2016/119/R.37.
110. In light of the recent recommendations of the Joint Inspection Unit, one representative suggested dedicating more time to regular oversight of fraud-related matters.
111. In response to a question about whether there were long-term plans to increase the number of IFAD country offices (ICOs) assessed for their management practices and compliance, the Office of Audit and Oversight (AUO) informed the Board that the aim was to cover the higher-risk ICOs at least every three years and the lower-risk ICOs at longer intervals. IOE added that thanks to the introduction of the remote audit modality and the engagement of local staff and auditors, the number of audited ICOs every year had increased to six. Should the necessity arise, the coverage would be expanded in the future. Overall, AUO considered the risk coverage as adequate.

112. AUO also provided information on the selection of individual auditors to supplement the audit team.

113. The Board confirmed the Workplan for IFAD's Office of AUO for 2017, as contained in document EB 2016/119/R.37.

(e) Briefing on technical issues related to borrowing from capital markets

114. In response to a request by the Board at its 118th session, Management delivered a presentation on the studies undertaken to verify the feasibility of borrowing from capital markets and to re-engineer IFAD's financial model. The Board was also provided with information on IFAD's plan to sign its first International Swaps and Derivatives Association Master Agreement with a Canadian bank to enable cross currency swaps. The Board was presented with a timeline of steps to be taken for borrowing from capital markets, which envisaged provision of a feasibility study to the Board by December 2017. Management briefed the Board on the recent rating of the International Development Association, and how IFAD would possibly be comparable to the International Development Association in its rating process. It was stressed that should IFAD be highly rated, there would be a saving on the total liabilities, which would consequently mean savings for IFAD's borrowers.

115. Representatives expressed their support for IFAD to explore new and innovative ways of financing to mobilize more resources for projects. On the other hand, they emphasized the need for a thorough and external assessment before a possible financial reform, and stressed the importance of building internal institutional expertise.

116. Management responded to queries regarding the timeline, specifically: when the rating agencies would interview Member States, when the decision to carry out the feasibility study would be made and when the Board would be asked to take decisions; and regarding the issues that could have an impact on IFAD's rating. Management noted that this preliminary study had been carried out in light of the commitment that no market borrowing would be contemplated for IFAD10, and that it should be considered as an introduction to the next round of more substantive discussions.

117. On the adequacy of IFAD's organizational structure, Management commented that this was adequate, although a few changes could be considered, such as more delegation to Management and staff on technical matters: in other international financial institutions, the execution of a borrowing programme was within Management's prerogative and responsibility.

118. Management was also requested to study and present the possible implications of different rating scenarios.

119. In response to a question on risk and crisis mitigation in the scenario of a global financial crisis, Management acknowledged that exposing IFAD's balance sheet to market volatility was a fundamental decision that must be made by the Board. Management gave examples of mitigation measures that could be taken. Management recognized the possible implications for the borrowers, which would be further discussed with the Board.

120. The Executive Board took note of the briefing on technical issues related to borrowing from capital markets.

S. Proposal to enter into a borrowing agreement with the Agence Française de Développement (AFD) to support the IFAD10 programme of loans and grants (agenda item 20)

121. The Executive Board considered the Proposal to enter into a borrowing agreement with Agence Française de Développement (AFD) to support the IFAD10 programme of loans and grants, as contained in document EB 2016/119/R.38.

122. The Board welcomed the proposal, noting that this would be the first sovereign loan that would activate the Sovereign Borrowing Framework and that it was becoming increasingly important to include such loans in order to meet replenishment targets.
123. In response to questions, Management gave assurances that the loan would be kept in a separate portfolio (asset liability portfolio) and would be self-financing. On the cost of borrowing, Management explained that the total amount would be drawn in four tranches over a two-year period.
124. Regarding a question concerning the limit on the amount of loans that could be allocated based on the Sovereign Borrowing Framework, Management explained that there would be no distortion of PBAS allocations, and that the limit was being respected.
125. Further to a question on other partners, Management noted that talks were under way with two potential partners for borrowing agreements in IFAD10.
126. Management was encouraged to provide regular and detailed information to the Board concerning the implementation of innovative agreements such as these to help inform decision-making regarding further diversification of funding sources.
127. The Board approved the proposal that IFAD Management enter into a borrowing agreement with Agence Française de Développement for the granting of a loan to IFAD of EUR 200 million which is financially sustainable and adheres to the parameters set out in the Sovereign Borrowing Framework as detailed in document EB 2016/119/R.38.

T. Final report of the Ad Hoc Working Group on Governance (agenda item 21)

128. The Executive Board welcomed and considered the Final report of the Ad Hoc Working Group on Governance, as contained in document EB 2016/119/R.39/Rev.1. The Chairperson of the Working Group presented the report, which had been finalized at the ninth meeting of the Working Group on 12 December, and summarized the consensus reached as follows:
 - (a) The current length of the replenishment cycle would be maintained. A number of recommendations were also made to improve the format and structure of the replenishment consultations.
 - (b) The current List structure would be maintained while the following definitions for each List were agreed upon:
 - (i) List A would only include Member States that are contributors to IFAD resources, declare themselves ineligible for IFAD financing and services, and are not eligible for official development assistance according to OECD definitions.
 - (ii) List B would only include Member States that are members of OPEC and are contributors to IFAD resources; some of these may also be eligible for IFAD financing and services.
 - (iii) List C would only include Member States that are "developing countries" and have not declared themselves ineligible for IFAD financing and services; many of these are also contributors to IFAD resources.
 - (c) Each Member State should join, or transfer to, the List whose definition best matches its individual characteristics. For the time being, these definitions and the principle pertaining to List transfers would serve as guidelines for Members, and thus would not require any amendment to schedule II of the Agreement Establishing IFAD.
 - (d) In order to address the under-representation of List C, List A and List B jointly offered four replenishment seats to List C for the benefit of four low-income

countries and potential or major contributors, starting with the IFAD11 Consultation.

129. However, no consensus had been reached on enhancing the representation of List C in the Executive Board and standing committees. The Secretariat would carry out an assessment of the number of Board seats in light of any List transfers that may have taken place and the evolving voting power of each List, and this assessment would be provided to the Membership for review prior to the beginning of the IFAD12 Consultation for further discussion at that time.
130. The Chairperson of the Working Group requested that paragraph 37, which had been superseded by the revision to paragraph 36, be deleted in the final version.
131. Further to List C's request to reflect the conclusions of the ninth meeting regarding the possibility of any Member State transferring from one List to another, the following wording was added to the second paragraph of the resolution: "... it being understood that it is for each Member State to decide whether it wishes to avail itself of this option."
132. The representative for Kuwait requested changing the word "governance" in the Arabic version of the document. Further to some consultations with the Language Services unit and the Office of the General Counsel, it was concluded that this would require a change in all the documents of the Working Group and it was agreed to keep the current wording.
133. While welcoming the document, List C recalled that the main consideration, which had led to the creation of the Working Group, was the need to ensure greater representation for List C on the Executive Board. This meant taking into consideration the number of List C countries and their increased contributions to Replenishments. Although this issue was not resolved due to lack of consensus, List C was pleased to note that this would continue to be discussed and receive the attention of the Executive Board in the near future.
134. In a joint statement, List A welcomed the report and stated their readiness to have new List A members. List A also drew attention to the lack of upper limits in IFAD's financing terms, as this had been highlighted during the development of the List definitions. List A stated that this could be clarified with IFAD in the future.
135. List A commented that some of the recommendations related to the replenishment consultations had been already taken on board, such as organizing an open meeting to discuss priority issues for IFAD11.
136. List A also expected an assessment of the impact of the implementation of these recommendations for IFAD12.
137. List B expressed their satisfaction with List B's joint allocation of replenishment seats with List A, and stressed that List B would make sure that List A was adequately represented.
138. In response to a question regarding the recommendation on the continuation of discussions on the length of the replenishment cycle with other international financial institutions, Management explained that in light of the current financial and economic climate, an extension to four years was not in IFAD's interest; however Management would be very proactive in the discussions with IFI comparators in terms of the way they operate their replenishment cycle.
139. The Board approved the transmittal of the Final report of the Ad Hoc Working Group on Governance, including the draft resolution contained in annex I, to the fortieth session of the Governing Council in February 2017 for adoption, with appropriate revisions as suggested.

U. Report of the Emoluments Committee (agenda item 22)

140. The Executive Board unanimously welcomed and endorsed the Report of the Emoluments Committee, contained in document EB 2016/119/R.40, as presented by the representative for Canada and Committee Chairperson, David Cuming. The Board congratulated the Chairperson and the Committee on their excellent work which would serve as a basis for defining the future work agreement with the next President of IFAD.
141. The Board noted that the Committee had built on previous decisions to align the President's emoluments and benefits with those of the Director-General of the Food and Agriculture Organization of the United Nations (FAO), with regard to the salary, representation allowance, benefits and communication expenses. In addition the Committee had agreed also to align the treatment of security costs with those of the Director-General of FAO. The contractual arrangements whereby IFAD acted as the leaseholder of the residence on behalf of the President were maintained.
142. The Board decided to transmit the Report of the Emoluments Committee as contained in document EB 2016/119/R.40 to the Governing Council at its fortieth session in February 2017, and to recommend the Council's adoption of the draft resolution contained therein.

V. Proposal for the revision of the established good practice for the process leading to future appointments of the President of IFAD (agenda item 23)

143. The Board considered document EB 2016/119/R.41, the Proposal for the revision of the established good practice for the process leading to future appointments of the President of IFAD, and agreed to recommend to the Governing Council that it request the Governing Council Bureau to undertake a revision of the established good practice regarding the process leading to the future appointments of the President of IFAD for consideration by the Governing Council at its forty-first session in 2018.
144. The Board would submit document EB 2016/119/R.41 to the Governing Council at its fortieth session for consideration and adoption of the draft resolution contained therein.

W. Collaboration among the United Nations Rome-based Agencies: Delivering on the 2030 Agenda (agenda item 24)

145. In a joint statement, the three Lists welcomed document EB 2016/119/R.45 and the collaborative spirit that had developed among the three RBAs. They shared the view that the document was a good starting point for a process of further elaboration and strengthening of RBA collaboration and encouraged the development of concrete deliverables.
146. The Lists called for the proactive and swift implementation of the proposals presented in the document, particularly at the country level, and in the wider context of harmonization of the United Nations system, especially at the operational level.
147. The RBAs were also encouraged to develop concrete instruments to enhance joint planning and implementation, including for country programming.
148. The Lists proposed the development of substantive, qualitative indicators and a corresponding monitoring system to measure and understand the impact of joint collaboration.
149. A joint annual report on RBA collaboration was also requested. The Lists suggested that the senior consultative group and country representatives hold more frequent meetings, and proposed organizing annual joint meetings of the RBAs' governing bodies to reinforce agenda-setting and follow-up.

150. In response to a request to hold an RBA session on the joint paper, the President explained that scheduling a joint session had proved difficult, and given the many important events scheduled for the first three months of 2017, it would not be possible to hold such a session in the remaining three months of his tenure. On the other hand, he would urge IFAD Management and his successor, as well as World Food Programme and FAO colleagues to hold this joint session in the first half of 2017. Furthermore, the President asked the Board to ensure that RBA collaboration was based on the comparative advantage of each institution, their mandates and their mode of operation, and that such collaboration added value.

X. Other business (agenda item 25)

(a) Proposed dates for sessions of the Executive Board in 2018

151. The Executive Board approved the proposed dates for the Executive Board sessions in 2018, as contained in document EB 2016/119/R.42:

- (i) 123rd session – Tuesday 17 and Wednesday 18 April 2018;
- (ii) 124th session – Wednesday 12 and Thursday 13 September 2018; and
- (iii) 125th session – Wednesday 12 and Thursday 13 December 2018.

152. While specific dates for 2017 had already been approved at the 116th session of the Executive Board, taking into consideration Easter week, the Board considered and approved an amendment to the dates for the April session in 2017, which would now take place on Monday, 10 April and Tuesday, 11 April.

(b) Executive Board retreat: Updated follow-up matrix and date for the next retreat

153. The Board approved the updated follow-up retreat matrix as contained in document EB 2016/119/ R.43, together with the proposed dates for the next retreat - Wednesday, 12 April and Thursday, 13 April.
154. The Board noted that the matrix had been updated based on the comments received at the September session, and that the dates of the retreat would be confirmed later, subject to more detailed planning of the agenda of the April Board session and the retreat itself.

(c) Update on the outcome of the United Nations Climate Change Conference (COP22) in Marrakech

155. Management provided the Board with an update on the outcome of the twenty-second session of the Conference of the Parties of the United Nations Framework Convention on Climate Change (COP22), hosted by Morocco in Marrakech from 7 to 18 November. The Board noted that the conference had concluded with the Marrakech Action Proclamation by the participating heads of state, governments, and delegations, endorsing the Paris Agreement. Accordingly, the Paris Agreement had entered into force earlier than expected, on 4 November 2016.

156. The Board noted the reaffirmation by developed countries to mobilize US\$100 billion annually from 2020 onwards for climate finance. The Board further noted the election of Fiji as President of COP23, which would be held in Bonn, Germany from 6 to 17 November 2017.

157. IFAD's active participation in the conference and its issuance of a statement on the importance of increasing the climate resilience of smallholder farmers in developing countries was also noted.

(d) Principles of Conduct for Representatives on the Executive Board of IFAD

158. The Executive Board approved an amendment to rule 7 of the Rules of Procedure of the Executive Board and the addition of an annex to said rules, to adopt the

proposed Principles of Conduct for Representatives on the Executive Board of IFAD, as presented in document EB 2016/119/R.44.

159. In accordance with the principles of conduct, and with respect to the eligibility for employment contracts or other non-staff contracts with IFAD (such as consultancy contracts) of Executive Board representatives, the Board tasked Management with developing appropriate provisions concerning a cooling-off period aligned with similar provisions and a compatible duration as reflected in the relevant human resources rules and procedures.
160. The Board would submit document EB 2016/119/R.44 to the Governing Council at its fortieth session in February 2017, for information. The Board would also keep the Governing Council informed of changes, if any, made to these principles.
161. The Chairperson of the Board thanked Convenors and Friends for having reached consensus on this important proposal, which marked a fundamental step for IFAD in adhering to good practice as an IFI, and for enhanced transparency and the good reputation of the institution.

(e) President's reflections on 10 years at IFAD

162. Having presented his closing remarks on the 119th session of the Board, the Chairperson shared with the Executive Board reflections on his 10 years at IFAD, highlighting the changes that had been effected towards making the institution a stronger development partner for smallholder farmers in rural areas, and an international knowledge base on agricultural and rural development.
163. The Executive Board, through a cross-List joint statement, expressed their appreciation to the President for his years of service at IFAD. They highlighted the passion and leadership shown by the President, which had enabled IFAD to maintain its position as a trusted partner and respond appropriately to challenges such as the global food price crisis, the economic downturn and the political upheavals that were giving rise to an unprecedented migration crisis – all the while remaining focused on its core mandate.

Y. Closing of the session

164. The President provided a summary of the decisions taken by the Board. He thanked representatives for their active participation in the Board sessions of 2016, their input, and their approval of various operational and policy documents, which would enable IFAD to deliver on the commitments made under IFAD10.
165. Specifically, the President thanked representatives for the continued good practice of delivering List and cross-List statements, which greatly contributed to the efficiency of Board sessions.
166. The President expressed appreciation to Mr Des Alwi, Ms Martina Metz and Mr David Cuming, for their comprehensive reports on behalf of the Evaluation, Audit and Emoluments Committees, respectively. The President also expressed his gratitude to Dr Yaya Olaniran and His Excellency, Ambassador Claudio Rozencwaig, for their reports on, respectively, the successful visit of Board representatives to IFAD-supported projects in Brazil, and the fruitful deliberations and outcomes of the Working Group on Governance.
167. The President remarked that the milestone of the 119th session of the Board was the adoption of the "Principles of Conduct for Representatives of the Executive Board of IFAD", and congratulated the Board for reaching a consensus on this issue. He noted that this signified the adoption of an important best practice by IFAD.
168. Furthermore, the President thanked representatives for their strong support and encouragement to Management regarding the landmark work on its Development Effectiveness Framework. He pointed out that this would enable continuous monitoring and learning, better design and, ultimately, improved results and

impact. The President also thanked all staff members, messengers and interpreters for their contribution to the success of the meeting.

169. The President shared reflections on his 10-year tenure at IFAD, and then declared his last session as Chair of the Executive Board of IFAD closed.

IV. Documents presented for information

170. The following documents were presented to the Board for information purposes:

- Draft programme of events for the fortieth session of the Governing Council (EB 2016/119/R.46)
- Revision to the document on climate mainstreaming in IFAD-funded programmes (EB 2016/119/R.47)
- Report on IFAD's investment portfolio for the third quarter of 2016 (EB 2016/119/R.48)
- Minutes of the fourth meeting of the Working Group on the Performance-Based Allocation System (EB 2016/119/R.50)

V. Information provided under the fit-for-purpose approach

- Status report on arrears and principal, interest and service charge payments
- Report on the status of contributions to the Tenth Replenishment of IFAD's Resources
- Planned global, regional and country activities
- List of documents for the 119th session of the Executive Board



Investing in rural people
Investir dans les populations rurales
Invertir en la población rural
الاستثمار في السكان الريفيين

المشاركون في الدورة التاسعة عشرة بعد المائة للمجلس التنفيذي

Delegations at the 119th session of
the Executive Board

Délégations à la cent dix-neuvième
session du Conseil d'administration

Delegaciones en el 119^o período de
sesiones de la Junta Ejecutiva

Executive Board — 119th Session
Rome, 14-15 December 2016

For: Information

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المراقبون

OBSERVERS
OBSERVATEURS
OBSERVADORES

مداولات برامج الفرص الاستراتيجية القطرية

COSOP DELIBERATIONS¹
DÉLIBÉRATIONS RELATIVES AUX COSOP
DELIBERACIONES SOBRE LOS COSOP

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¹ Pursuant to document EB 2002/77/R.12: Procedure for the Review of Country Strategic Opportunities Papers (COSOPS) by the Executive Board. Paragraph 15 (2) Process.

List of documents placed before the 119th session of the Executive Board

| Document No. | Agenda item | Title |
|-----------------------------------|-------------|---|
| EB 2016/119/R.1/Rev.1 | 2 | Provisional agenda |
| EB 2016/119/R.1/Rev.1/Add.1/Rev.1 | 2 | Schedule of work for the session |
| EB 2016/119/R.2 | 3 | IFAD's 2017 results-based programme of work and regular and capital budgets, the IOE results-based work programme and budget for 2017 and indicative plan for 2018-2019, and the HIPC and PBAS progress reports |
| EB 2016/119/R.2/Add.1 | 3 | Progress report on implementation of the performance-based allocation system |
| EB 2016/119/R.3 | 3 | Report of the Audit Committee on IFAD's 2017 results-based programme of work and regular and capital budgets, and the IOE results-based work programme and budget for 2017 and indicative plan for 2018-2019 |
| EB 2016/119/R.4 + Add.1 | 4 | IFAD strategy for engagement in countries with fragile situations |
| EB 2016/119/R.5 | 5 | Approach to the review of the performance-based allocation system |
| EB 2016/119/R.6 | 6 | IFAD's Approach to South-South and Triangular Cooperation |
| EB 2016/119/R.7 | 7(a) | Minutes of the ninety-fourth session of the Evaluation Committee |
| EB 2016/119/R.51 | 7(b) | Minutes of the ninety-fifth session of the Evaluation Committee |
| EB 2016/119/R.8 | 7(c)(i) | Federal Democratic Republic of Ethiopia: Country programme evaluation |
| EB 2016/119/R.9 | 7(c)(ii) | Federal Republic of Nigeria: Country programme evaluation |
| EB 2016/119/R.10 + Add.1 | 7(d) | Corporate-level evaluation of IFAD's decentralization experience |
| EB 2016/119/R.11 + Add.1 | 8 | IFAD Corporate Decentralization Plan |
| EB 2016/119/R.12 | 9 | IFAD development effectiveness framework |
| EB 2016/119/R.13 | 10 | Proposed refinements to the IFAD10 Results Measurement Framework |
| EB 2016/119/R.14 | 11(a) | Republic of Colombia: Country strategic opportunities programme |

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| EB 2016/119/R.15 + Add.1 | 11(b) | Federal Democratic Republic of Ethiopia: Country strategic opportunities programme |
| EB 2016/119/R.16 | 11(c) | Republic of Malawi: Country strategic opportunities programme |
| EB 2016/119/R.17 + Add.1 | 11(d) | Federal Republic of Nigeria: Country strategic opportunities programme |
| EB 2016/119/R.18 | 11(e) | Islamic Republic of Pakistan: Country strategic opportunities programme |
| EB 2016/119/R.19 | 12 | Resources available for commitment |
| EB 2016/119/R.20 | 13 | Proposed amendments to the instrument establishing the trust fund for the IFAD Adaptation for Smallholder Agriculture Programme |
| EB 2016/119/R.21 ² | 14(a)(i) | United Republic of Tanzania: Southern Highlands Milkshed Development Project |
| EB 2016/119/R.22 + Add.1 + Sup.1 ³ | 14(a)(ii) | Zambia: Enhanced Smallholder Agribusiness Promotion Programme |
| EB 2016/119/R.23 + Add.1 + Sup.1 ² | 14(b)(i) | Cambodia: Accelerating Inclusive Markets for Smallholders Project |
| EB 2016/119/R.24 + Add.1 + Sup.1 ² | 14(b)(ii) | India: Andhra Pradesh Drought Mitigation Project |
| EB 2016/119/R.25 ² | 14(b)(iii) | Indonesia: Rural Empowerment and Agricultural Development Scaling-up Initiative |
| EB 2016/119/R.26 | 14(b)(iv) | Viet Nam: Commercial Smallholder Support Project in B c Kan and Cao B ng |
| EB 2016/119/R.27 + Add.1 + Sup.1 ⁴ | 14(c)(i) | Ecuador: Catalysing Inclusive Value Chain Partnerships Programme (DINAMINGA) |
| EB 2016/119/R.53 | 14(c)(ii) | Brazil: Maranhão Rural Poverty Alleviation Project |
| EB 2016/119/R.28 + Add.1 + Sup.1 ² | 14(d) | Kyrgyzstan: Access to Markets Project |
| EB 2016/119/R.29 | 15(a) | Grant under the global/regional grants window to Transtec to Improve Dryland Livelihoods in Djibouti and Somalia through Productivity-enhancing Technologies |
| EB 2016/119/R.30 | 15(b) | Grant under the regional/private sector grant window to MicroInsurance Centre for Managing Risks for Rural Development: Promoting Microinsurance Innovations |

² Withdrawn from the agenda.

³ Document delivered in English only.

⁴ Document delivered in Spanish only.

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| EB 2016/119/R.31 | 16 | Proposed framework for new financing facilities: Enhancing IFAD's catalytic role in mobilizing resources for rural transformation |
| EB 2016/119/R.32 | 17 | Dates of the IFAD Executive Board country visit for 2017 to the Democratic Republic of the Congo |
| EB 2016/119/R.33 | 18 | Proposal for the provision of seed money for two strategic initiatives: (i) Scaling up of the Participatory Natural Resource Management Programme through the IFAD Fund for Gaza and the West Bank; and (ii) Rural Economic Growth and Employment Project in Jordan through the IFAD Facility for Refugees, Migrants, Forced Displacement and Rural Stability |
| EB 2016/119/R.34 | 19(a) | Report of the Chairperson on the 142 nd meeting of the Audit Committee |
| EB 2016/119/R.35 | 19(b) | Selection of the external auditor of IFAD for the period 2017-2021 |
| EB 2016/119/R.36 + Add.1 + Add.2 | 19(c) | IFAD's Investment Policy Statement |
| EB 2016/119/R.37 | 19(d) | Workplan for IFAD's Office of Audit and Oversight for 2017 |
| EB 2016/119/R.38 | 20 | Proposal to enter into a borrowing agreement with the Agence Française de Développement (AFD) to support the IFAD10 programme of loans and grants |
| EB 2016/119/R.39/Rev.1 | 21(a) | Final Report of the Ad Hoc Working Group on Governance |
| EB 2016/119/R.52 | 21(b) | Establishment of the Consultation on the Eleventh Replenishment of IFAD's Resources |
| EB 2016/119/R.40 | 22 | Report of the Emoluments Committee |
| EB 2016/119/R.41 | 23 | Proposal for the revision of the established good practice for the process leading to the future appointments of the President of IFAD |
| EB 2016/119/R.45 | 25 | Collaboration among the United Nations Rome-based Agencies: Delivering on the 2030 Agenda |
| EB 2016/119/R.42 | 24(a) | Proposed dates for sessions of the Executive Board in 2018 |
| EB 2016/119/R.43 | 24(b) | Executive Board retreat: Updated follow-up matrix and dates for the next retreat |

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| EB 2016/119/R.44 | 24(c) | Principles of Conduct for Representatives on the Executive Board of IFAD |
| Documents presented for information | | |
| EB 2016/119/R.46 | 26 | Draft programme of events for the fortieth session of the Governing Council |
| EB 2016/119/R.47 | 27 | Revision to the document on climate mainstreaming in IFAD-funded programmes |
| EB 2016/119/R.48 | 28 | Report on IFAD's investment portfolio for the third quarter of 2016 |
| EB 2016/119/R.50 | 29 | Minutes of the fourth meeting of the Working Group on the Performance-Based Allocation System |
| Fit-for-purpose approach | | |
| EB 2016 FFP9 (AC/EB) | | Status report on arrears in principal, interest and service charge payments |
| EB 2016 FFP10 (AC/EB) | | Summary of the status of contributions to the Tenth Replenishment |
| EB 2016 FFP11 (EB) | | Planned global, regional and country activities for 2016-2017 |
| EB 2016 FFP12 (EB) | | List of documents for the 119 th session of the Executive Board |
| Information notes | | |
| EB 2016/119/INF.1 | | Arrangements for the 119 th session of the Executive Board |
| EB 2016/119/INF.2 | | Report on the signing of the third individual loan agreement under the Framework Agreement with KfW Development Bank |

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|---------------|------------------------------|
| Document: | <u>EB 2016/119/R.1/Rev.2</u> |
| Agenda: | <u>2</u> |
| Date: | <u>14 December 2016</u> |
| Distribution: | <u>Public</u> |
| Original: | <u>English</u> |

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Investing in rural people

Agenda

Note to Executive Board representatives

Focal point for technical questions and dispatch of documentation:

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Executive Board — 119th Session
Rome, 14-15 December 2016

Agenda

I. Items for approval, review and/or confirmation⁵

1. Opening of the session
2. Adoption of the agenda [A]

For ease of reference, each agenda item is assigned a letter to indicate the action required of the Board, as follows:

[A] = For approval
 [R] = For review
 [C] = For confirmation
 [I] = For information
3. IFAD's 2017 results-based programme of work and regular and capital budgets, the IOE results-based work programme and budget for 2017 and indicative plan for 2018-2019, and the HIPC and PBAS progress reports [A]
4. IFAD strategy for engagement in countries with fragile situations [A]
5. Approach to PBAS review [R]
6. IFAD's approach to South-South and Triangular Cooperation [R]
7. Evaluation
 - (a) Ninety-fourth session of the Evaluation Committee [I]
 - (b) Ninety-fifth session of the Evaluation Committee [I]
 - (c) Country programme evaluations [R]
 - (i) Ethiopia
 - (ii) Nigeria
 - (d) Corporate-level evaluation of IFAD's decentralization experience [R]
8. IFAD Corporate Decentralization Plan [R]
9. IFAD development effectiveness framework [R]
10. Proposed refinements to the IFAD10 Results Measurement Framework [A]
11. Country strategic opportunities programmes (COSOPs) [R]
 - (a) Colombia
 - (b) Ethiopia
 - (c) Malawi
 - (d) Nigeria
 - (e) Pakistan
12. Resources available for commitment [A]
13. Proposed amendments to the instrument establishing the trust fund for the IFAD Adaptation for Smallholder Agriculture Programme [A]
14. Project/programme proposals for consideration by the Executive Board [A]

⁵ Some items for information are included and will be discussed during the Board session.

- (a) East and Southern Africa
 - Zambia: Enhanced Smallholder Agribusiness Promotion Programme
 - (b) Asia and the Pacific
 - (i) Cambodia: Accelerating Inclusive Markets for Smallholders Project
 - (ii) India: Andhra Pradesh Drought Mitigation Project
 - (iii) Viet Nam: Commercial Smallholder Support Project in B'c Kan and Cao B'ng
 - (c) Latin America and the Caribbean
 - (i) Ecuador: Catalysing Inclusive Value Chain Partnerships Project (DINAMINGA)
 - (ii) Brazil: Maranhão Rural Poverty Alleviation Project
 - (d) Near East, North Africa and Europe
 - Kyrgyzstan: Access to Markets Project
15. Grant proposals for consideration by the Executive Board [A]
 - (a) Grant under the global/regional grants window to Transtec to Improve Dryland Livelihoods in Djibouti and Somalia through Productivity-enhancing Technologies
 - (b) Grant under the regional/private sector grant window to the MicroInsurance Centre for Managing Risks for Rural Development: Promoting Microinsurance Innovations
 16. Proposed framework for new financing facilities: Enhancing IFAD's catalytic role in mobilizing resources for rural transformation [R]
 17. Country visits of the IFAD Executive Board
 - (a) Report on the 2016 country visit of the IFAD Executive Board to Brazil [R]
 - (b) Dates of the IFAD Executive Board country visit for 2017 to the Democratic Republic of the Congo [A]
 18. Proposal for the provision of "seed money" for two strategic initiatives: (i) the scaling up of the Participatory Natural Resource Management Programme through the IFAD Fund for Gaza and the West Bank; and (ii) the Rural Economic Growth and Employment Project in Jordan through the IFAD Facility for Refugees, Migrants, Forced Displacement and Rural Stability [A]
 19. Financial matters
 - (a) Report of the Chairperson of the 142nd meeting of the Audit Committee [R]
 - (b) Selection of the external auditor of IFAD for the period 2017-2021 [A]
 - (c) IFAD's Investment Policy Statement [A]
 - (d) Workplan for IFAD's Office of Audit and Oversight for 2017 [C]
 - (e) Briefing on technical issues related to borrowing from the capital markets [I]
 20. Proposal to enter into a borrowing agreement with the Agence Française de Développement (AFD) to support the IFAD10 programme of loans and grants [A]
 21. Ad Hoc Working Group on Governance [A]
 - (a) Final report of the Ad Hoc Working Group on Governance
 - (b) Establishment of the Consultation on the Eleventh Replenishment of IFAD's Resources
 22. Report of the Emoluments Committee [A]

23. Proposal for the revision of the established good practice for the process leading to future appointments of the President of IFAD [A]
 24. Collaboration among the United Nations Rome-based Agencies: Delivering on the 2030 Agenda [R]
 25. Other business
 - (a) Proposed dates for sessions of the Executive Board in 2018 [A]
 - (b) Executive Board retreat: Updated follow-up matrix and date for the next retreat [A]
 - (c) Update on the outcome of the United Nations Climate Change Conference (COP22) in Marrakesh [I]
 - (d) Principles of Conduct for Representatives on the Executive Board of IFAD [A]
 - (e) President's reflections on ten years at IFAD [I]
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II. Documents presented for information [I]

Documents presented for information will be discussed during a Board session only if deemed necessary by Management or at the specific request of a Board representative. Such requests should be submitted in writing to the Secretary of IFAD no later than one week before the Board session.

The schedule of work will include only items to be discussed during the Board session (i.e. items for approval, review or confirmation and documents for information for which a written request for discussion at the Board has been received) and will be posted on the IFAD website two weeks before the session.

26. Draft programme of events for the fortieth session of the Governing Council
 27. Revision to the document on climate mainstreaming in IFAD-funded programmes
 28. Report on IFAD's investment portfolio for the third quarter of 2016
 29. Minutes of the fourth meeting of the Working Group on the Performance-Based Allocation System
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III. Information provided under the fit-for-purpose approach

In accordance with the fit-for-purpose approach, approved by the Executive Board in December 2013 (EB 2013/110/R.4), updated information will be made available on the IFAD website and Member States Interactive Platform on the following:

30. Status report on arrears in principal, interest and service charge payments
31. Status of contributions to the Tenth Replenishment of IFAD's Resources
32. Planned global, regional and country activities

The information provided may be included for discussion on the agenda at the request of a representative of the Executive Board.

IV. Information notes

- (a) Arrangements for the 119th session of the Executive Board
- (b) Report on the signing of the third individual loan agreement under the KfW Framework Agreement