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**IFAD's 2023 results-based programme of work, regular and capital budgets, and budget outlook for 2024–2025, and IOE's results-based work programme and budget for 2023 and indicative plan for 2024–2025, and the HIPC and PBAS progress reports**

**Addendum**

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## **Addendum**

The Executive Board is hereby invited to consider the amendments to document EB 2022/137/R.3. The changes to the document are reflected as follows: deleted text with strikethrough, added text underlined.

The recommendations contained in the part five of the document (page 42) and the draft resolution (page 43) have been completed with the value of the programme of loans and grants, expressed in special drawing rights (SDR), by using the most updated exchange rate prevailing as of 1 December 2022.

## Part five – Recommendations<sup>44</sup>

174. In accordance with article 7, section 2(b), of the Agreement Establishing IFAD, the Executive Board has approved and is transmitting to the Governing Council:

- The programme of loans and grants for 2023 at a level of up to SDR ~~XXX~~ 1,172 million (US\$ 1,548 million), which comprises a lending programme of SDR ~~XXX~~ 1,145.5 million (US\$1,513 million) and a gross grant programme of SDR ~~XXX~~ 26.5 million (US\$35 million). It is noted that the programme of loans and grants has been approved at this level for planning purposes and will be adjusted as needed during 2023 in accordance with available resources.

175. In accordance with the Governing Council resolution 181/XXXVII, it is recommended that the Executive Board:

- Approve the appropriation for the replenishment special expenditure budget for the IFAD13 replenishment exercise in the amount of US\$1.17 million.

176. In accordance with article 6, section 10, of the Agreement Establishing IFAD and regulation VI of the Financial Regulations of IFAD, it is recommended that the Governing Council approve:

- The administrative budget comprised of, first, the regular budget of IFAD for 2023 in the amount of US\$175.7 million which has been prepared on a cost classification basis<sup>45</sup> and that includes US\$78.75 million of management resources to cover indirect costs and US\$96.96 million of programme resources to cover direct costs; second, the capital budget of IFAD for 2023 in the amount of US\$6.5 million; third, the budget of the Independent Office of Evaluation of IFAD for 2023 in the amount of US\$5.97 million;
- That unobligated appropriations at the close of the financial year 2022 may be carried forward into the 2023 financial year up to an amount not exceeding 3 per cent of the corresponding appropriations.

<sup>44</sup> The recommendation will be amended to reflect recommendations arising from the HIPC and PBAS sections, as appropriate, in the document presented to the Executive Board in December 2022.

<sup>45</sup> At its 134<sup>th</sup> session the Executive Board approved the preparation and submission of the IFAD regular budget on a cost classification basis, and the reflection of the decision into the Governing Council resolution for approval of the administrative budget of IFAD. [EB 2021/134/R.7](#).

## Draft resolution .../XXXXX

### **Administrative budget comprising the regular budget and capital budgets of IFAD and an Independent Office of Evaluation of IFAD budget for 2023**

#### **The Governing Council of IFAD,**

**Bearing in mind** article 6.10 of the Agreement Establishing IFAD and regulation VI of the Financial Regulations of IFAD;

**Noting** that, at its 137<sup>th</sup> session, the Executive Board reviewed and agreed upon a programme of loans and grants of IFAD for 2023 at a level of SDR ~~XXX~~ 1,172 million (US\$1,548 million), which comprises a lending programme of SDR ~~XXX~~ 1,145.5 million (US\$1,513 million) and a gross grant programme of SDR ~~XXX~~ 26.5 million (US\$35 million);

**Having considered** the review of the 137<sup>th</sup> session of the Executive Board concerning the proposed regular budget, capital budget and the Independent Office of Evaluation of IFAD budget for 2023;

**Aware** that, in 2004, Governing Council resolution 133/XXVII authorized the amendment of regulation VI, paragraph 2 of the Financial Regulations of IFAD, to allow unobligated appropriations at the close of the financial year to be carried forward into the following financial year up to an amount not exceeding 3 per cent of the said financial year;

**Conscious** that the aforementioned 3 per cent carry forward currently applies to the administrative budget, and noting the need for a 3 per cent cap for carrying forward unspent balances arising from savings achieved in 2022 into the 2023 financial year to support delivery of certain corporate priorities;

**Approves** the administrative budget comprised of, first: the regular budget of IFAD for 2023 in the amount of US\$175.7 million, which has been prepared on a cost classification basis and that includes US\$78.75 million of management resources to cover indirect costs and US\$96.96 million of programme resources to cover direct costs; second, the capital budget of IFAD for 2023 in the amount of US\$6.5 million; and third, the budget of the Independent Office of Evaluation of IFAD for 2023 in the amount of US\$5.97 million, as set forth in document GC 46/L.X, determined on the basis of a rate of exchange of EUR 0.923:US\$1;

**Determines** that, in the event the average value of the United States dollar in 2023 should change against the euro rate of exchange used to calculate the budget, the total United States dollar equivalent of the euro expenditures in the budget shall be adjusted in the proportion that the actual exchange rate in 2023 bears to the budget exchange rate; and

**Further** approves that unobligated appropriations at the close of the financial year 2022 may be carried forward into the 2023 financial year up to an amount not exceeding 3 per cent of the corresponding appropriations.