



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Sixty-Fourth Session
Rome, 9-10 September 1998

EXECUTIVE BOARD
MINUTES OF THE SIXTY-FOURTH SESSION

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MINUTES OF THE SIXTY-FOURTH SESSION OF THE EXECUTIVE BOARD

I. INTRODUCTION

1. The Sixty-Fourth Session of the Executive Board was held in Rome on 9-10 September 1998. A list of participants is attached as Annex I.
2. The Executive Board had before it the documents listed in Annex II.
3. These Minutes record the decisions of the Executive Board on the matters considered by it.

II. DECISIONS OF THE EXECUTIVE BOARD

A. Opening of the Session (Agenda Item 1)

4. In his capacity as chairman, the President of IFAD, Mr Fawzi H. Al-Sultan, opened the Sixty-Fourth Session of the Executive Board.
5. The Executive Board noted that, in accordance with the composition agreed upon at the time of the election of the Executive Board, Mexico and Argentina exchanged seats on 21 August 1998 for the remainder of their current term of office and, as such, Argentina was now the Member with Mexico being its Alternate.

B. Adoption of the Agenda (Agenda Item 2)

6. The Executive Board considered the Provisional Agenda presented in document EB 98/64/R.1/Rev.1 and, upon approving further revisions, adopted the Agenda contained in document EB 98/64/R.1/Rev.2. The Agenda is attached as Annex III.

C. Financial Matters (Agenda Item 3)

- (a) Status of Contributions to the Fourth Replenishment of IFAD's Resources

7. The Executive Board reviewed document EB 98/64/R.2 and addendum on the Status of Contributions to the Fourth Replenishment of IFAD's Resources. To date instruments of contribution deposited and payments made against pledges not supported by instruments of contribution amount to 94% of total pledges. Directors hailed this excellent progress as a further reflection of the continuing support of Member States for the institution and its goals.

- (b) Report on IFAD's Investment Portfolio for the First Half of 1998

8. The Executive Board, in reviewing the information contained in document EB 98/64/R.3, noted the decreased rate of return compared to that for calendar year 1997. However, in recognizing the unfavourable financial environment for the period in question, Directors expressed their appreciation for the overall results achieved. With the prevailing market situation, Directors once again urged caution and prudence with regard to the Fund's investment diversification. In this respect, they welcomed management's intention to slow the pace of funding of new equities



mandates, with a view to achieving further capital gains in the fixed-income sector and to avoiding potential value decrease in the equities sector over the short term.

9. Directors also welcomed management's intention to table quarterly reports on the portfolio at the April and December Sessions of the Executive Board. Requests were also made to ensure that the Fund's internal monitoring mechanisms be reviewed and strengthened where appropriate. The Executive Board noted that a second seminar on investment diversification will be organized in conjunction with the December Board Session to provide Directors with an in-depth review of the Fund's investment position and market conditions.

(c) Status Report on Principal and Interest Payments

10. In reviewing the Status Report on Principal and Interest Payments in document EB 98/64/R.4 and addendum, the Executive Board once again acknowledged the intensive efforts and the positive results the Fund has been able to obtain in reducing arrears. Directors urged management to continue its efforts and to ensure that all channels are explored when negotiating resettlement plans for countries in arrears. However, once these are agreed to, established schedules should be kept. They also noted that IFAD's active participation in the Debt Initiative for Heavily-Indebted Poor Countries should contribute to even more positive results in the future.

(d) Preview of the Programme of Work and Budget of IFAD for 1999

11. The Preview of the Programme of Work and Budget for 1999 (document EB 98/64/R.5) elicited an extensive exchange of varied comments and suggestions on how best to finalize the document to be presented to the Sixty-Fifth Session of the Executive Board. Directors generally supported maintaining the proposed 1999 Programme of Work at the same real level as that of 1998. Important observations on programme priorities and regional allocations were made, and Directors were assured that a continuing dialogue would be maintained on these complex issues.

12. On the question of the budget, the Executive Board noted the considerable upward pressures coming principally from external sources and management's intent to do all within its power to deal with these pressures while maintaining a zero real growth budget. Although some Directors urged zero growth in nominal terms, it was emphasized that, over the past six years, there had already been a decrease in the budget figures by nearly a quarter. Contemporarily, the Programme of Work was also increased by over a quarter, giving an overall efficiency gain of about 50%.

13. With regard to resource mobilization, Directors were reminded that the Fourth Replenishment period ends in 1999 and that it will be necessary to find ways of meeting IFAD's resource requirements from the year 2000 onwards. To this end the Governing Council would need to establish a consultation procedure so that an agreement on a process is in place by the Governing Council Session in 2000. To support the negotiations during the consultation process, the Secretariat plans to prepare a paper analysing the impact of IFAD's activities against poverty and the Fund's response to the challenges set out by the Rapid External Assessment. Management will further examine the minimum credible lending programme for IFAD over the medium term and a strategic framework reflecting the internal resources available and thus the external resources required to finance this programme.



(e) Revised Programme of Work and Budget of IFAD for 1998

14. The Executive Board approved a revision to the 1998 administrative budget (document EB 98/64/R.36) by authorizing the reallocation of the two contingency items, up to USD 400 000, to cover IFAD's share of the retroactive validation of the United Nations Joint Staff Pension Fund non-contributory service for long-term temporary staff. This authorization was given on the understanding that full utilization of the contingencies would be made only in the event that the total amount is required.

(f) Report of the Audit Committee

15. In introducing the Report of the Audit Committee contained in document EB 98/64/R.6, the chairman of the Committee noted that the Committee had discussed several issues related to the investment portfolio. The Committee had stressed the importance of early completion by management of the actions recommended by PricewaterhouseCoopers in their review of risk management practices. It also expressed the hope that management would: (i) provide quarterly reports on the portfolio; and (ii) communicate with the Committee in the event of extreme market conditions. Management's undertaking the previous day to provide quarterly reports to the Executive Board had satisfactorily answered the first point. As to the second, he invited management to consider writing to the Executive Board in such circumstances, to explain its view of the position and any action it proposed to take. In response, management undertook to explore ways of providing information to the Executive Board in the event of a crisis in financial markets that would have a serious effect on asset values. The Executive Board then endorsed the Report of the Audit Committee as presented by the chairman.

D. IFAD Framework for Bridging Post-Crisis Recovery and Long-Term Development (Agenda Item 4)

16. The Executive Board concluded the consideration it had started at its Sixty-Third Session and endorsed the IFAD Framework for Bridging Post-Crisis Recovery and Long-Term Development (document EB 98/64/R.8 and corrigendum). Once again Directors provided valuable guidance on how best to provide post-crisis assistance to the Fund's beneficiaries in terms of promoting longer-term development and establishing strong partnerships with others involved. In reiterating their hope that this form of lending continue to be on an exceptional basis, Directors welcomed the case-by-case approval approach proposed in the presentation.

E. Revision of the General Conditions Applicable to Loan and Guarantee Agreements: General Conditions for Agricultural Development Financing (Agenda Item 5)

17. The Executive Board once again considered the adoption of the General Conditions for Agricultural Development Financing (document EB 98/63/R.29 and corrigenda), representing a thorough revision of the General Conditions Applicable to Loan and Guarantee Agreements. However, as there were still some Directors who needed to review specific points, it was decided to defer approval of the General Conditions to the Sixty-Fifth Session of the Board. This decision was taken on the basis that Directors finalize their pending issues directly with the Office of the General Counsel, in order that there be no further need for discussion during the December Board Session.



18. In conjunction with the review of the General Conditions, the issue of good governance was also raised. Directors were assured that the Secretariat would keep in close touch with other international financial institutions and United Nations agencies working on this issue and that a report would be submitted to the Executive Board in the future.

F. Flexible Lending Mechanism (Agenda Item 6)

19. In approving the introduction of the Flexible Lending Mechanism (document EB 98/64/R.9), the Executive Board provided the Fund with an additional lending instrument to meet the longer-term development requirements of some of its Member States.

20. As some concern was raised on the role of the Executive Board in taking decisions on each of the cycles in the longer project period, it was agreed that the mechanism would be used for only a limited number of projects, and that specific reporting mechanisms be implemented. In this context, it was noted that, apart from a section on projects developed under this mechanism in the annual Progress Report on Project Implementation, the Executive Board would also receive individual case evaluation reports, before the end of each cycle, on the achievements realized and the rationale for proceeding to subsequent cycles. The Executive Board agreed that it would not play a decision-making role between cycles but reserved the right to evaluate the merit of the flexible lending mechanism as a whole approximately three to four years after its introduction. Accordingly paragraph 13 of the document was reworded to reflect these reporting mechanisms.

G. Progress Report on Human Resource Development (Agenda Item 7)

21. Executive Board Directors noted the Progress Report on Human Resource Development (document EB 98/64/R.10) and welcomed the visual presentation given. Once again they commended the work the organization has been able to accomplish and noted management's intention to continue to give close attention to the Fund's human resource management strategies. Board Directors looked forward to the Results and Evaluation of the Human Resource Management Strategy scheduled for the April 1999 Board Session.

H. Heavily-Indebted Poor Countries Debt Initiative (HIPC DI) Contributions (Agenda Item 8)

22. The Executive Board approved the proposed IFAD contributions, under the Heavily-Indebted Poor Countries Debt Initiative, to the following four countries:

(a) **Africa I**

Côte d'Ivoire: Proposed IFAD Contribution to the Republic of Côte d'Ivoire under the Heavily-Indebted Poor Countries Debt Initiative

23. The Executive Board considered the information contained in document EB 98/64/R.11 and, upon concluding its review of the proposed contribution to the reduction of Côte d'Ivoire's debt to IFAD within the framework of the Côte d'Ivoire HIPC DI, adopted the following resolution:



“RESOLVED: that the Fund, upon declaration at the completion point by the World Bank and the International Monetary Fund that Côte d’Ivoire has satisfied the conditions for debt relief under the Côte d’Ivoire HIPC DI, shall:

reduce the value of the Republic of Côte d’Ivoire’s debt to IFAD through the forgiving of Côte d’Ivoire’s debt service obligations to IFAD (principal and service charge payments) as they fall due after the completion point up to the aggregate value of SDR 164 300 in Net Present Value terms, corresponding to approximately USD 230 100 in nominal terms.”

(b) **Africa II**

Mozambique: Proposed IFAD Contribution to the Republic of Mozambique under the Heavily-Indebted Poor Countries Debt Initiative

24. The Executive Board considered the information contained in document EB 98/64/R.12 and, upon concluding its review of the proposed contribution to the reduction of Mozambique’s debt to IFAD within the framework of the Mozambique HIPC DI, adopted the following resolution:

“RESOLVED: that the Fund, upon declaration at the completion point (June 1999) by the World Bank and the International Monetary Fund that the Republic of Mozambique has satisfied the conditions for debt relief under the Mozambique HIPC DI, shall:

reduce the value of Mozambique’s debt to IFAD through the forgiving of Mozambique’s debt service obligations to IFAD (principal and service charge payments) as they fall due after the completion point up to the aggregate value of SDR 12 380 000 (approximately USD 16 630 000) in nominal terms and USD 10 460 000 in Net Present Value terms; and

that the Government shall provide a minimal debt service payment of USD 35 000 to IFAD when its obligations fall due every six months until the amount of USD 10 460 000 in Net Present Value terms has been reached.”

(c) **Latin America and the Caribbean**

(i) *Bolivia: Proposed IFAD Contribution to the Republic of Bolivia under the Heavily-Indebted Poor Countries Debt Initiative*

25. The Executive Board considered the information contained in document EB 98/64/R.13 and, upon concluding its review of the proposed contribution to the reduction of Bolivia’s debt to IFAD within the framework of the Bolivia HIPC DI, adopted the following resolution:

“RESOLVED: that the Fund, upon declaration at the completion point by the International Monetary Fund and the World Bank that the Republic of Bolivia has satisfied the conditions for debt relief under the Bolivia HIPC DI, shall:

reduce the value of Bolivia’s debt to IFAD by extending a grant from the IFAD HIPC Trust Fund which will meet certain debt service obligations of Bolivia to IFAD as they fall due after the completion point up to the aggregate value of SDR 2.2 million NPV, equivalent to approximately USD 3.1 million. This amount represents approximately 13.5% of the accumulated debt with the Fund, allocated under proportional burden sharing with other multilateral creditors.”



- (ii) *Guyana: Proposed IFAD Contribution to the Co-operative Republic of Guyana under the Heavily-Indebted Poor Countries Debt Initiative*

26. The Executive Board considered the information contained in document EB 98/64/R.14 and, upon concluding its review of the proposed contribution to the reduction of Guyana's debt to IFAD within the framework of the Guyana HIPC DI, adopted the following resolution:

“RESOLVED: that the Fund, upon declaration at the completion point (December 1998) by the International Monetary Fund and the World Bank that the Co-operative Republic of Guyana has satisfied the conditions for debt relief under the Guyana HIPC DI, shall:

reduce the value of Guyana's debt to IFAD by extending the grant from the IFAD Trust Fund for the HIPC DI, which will meet certain debt-service obligations of Guyana to IFAD as they fall due after the completion point up to the aggregate value of SDR 630 000 NPV, equivalent to approximately USD 910 000 NPV. This amount represents approximately 25.9% of the accumulated debt to the Fund, allocated under proportional burden-sharing with other multilateral creditors.”

I. Projects for Consideration of the Board (Agenda Item 9)

- (a) Resources Available for Commitment

27. The Executive Board reviewed the information contained in document EB 98/64/R.15 and noted that sufficient resources were available under IFAD's Regular Programme for commitment to all projects and technical assistance grants submitted for the Board's consideration at this Session.

- (b) **Africa I**

- (i) *Cameroon: National Agricultural Research and Extension Programmes Support Project*

28. The Executive Board considered the project proposal contained in document EB 98/64/R.16 with its addendum, corrigendum and supplement and, upon concluding its review of the proposed loan to the Republic of Cameroon, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Republic of Cameroon in various currencies in an amount equivalent to seven million nine hundred thousand Special Drawing Rights (SDR 7 900 000) to mature on and prior to 15 October 2037 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

- (ii) *Côte d'Ivoire: Rural Development Project in the Zanzan Region*

29. The Executive Board considered the project proposal contained in document EB 98/64/R.17 with its addendum and supplement and, upon concluding its review of the proposed loan to the Republic of Côte d'Ivoire, adopted the following resolution:



“RESOLVED: that the Fund shall make a loan to the Republic of Côte d’Ivoire in various currencies in an amount equivalent to eight million three hundred thousand Special Drawing Rights (SDR 8 300 000) to mature on and prior to 15 June 2038 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such other terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

(c) **Africa II**

(i) *Ethiopia: Agricultural Research and Training Project*

30. The Executive Board considered the project proposal contained in document EB 98/64/R.18 with its addendum and supplement and, upon concluding its review of the proposed loan to the Federal Democratic Republic of Ethiopia, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Federal Democratic Republic of Ethiopia in various currencies in an amount equivalent to thirteen million six hundred fifty thousand Special Drawing Rights (SDR 13 650 000) to mature on and prior to 15 July 2038 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

(ii) *Lesotho: Sustainable Agricultural Development Programme for the Mountain Areas*

31. The Executive Board considered the programme proposal contained in document EB 98/64/R.19 with its addendum and supplement and, upon concluding its review of the proposed loan to the Kingdom of Lesotho, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Kingdom of Lesotho in various currencies in an amount equivalent to six million three hundred and fifty thousand Special Drawing Rights (SDR 6 350 000) to mature on and prior to 15 July 2038 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

(iii) *Uganda: District Development Support Programme*

32. The Executive Board considered the programme proposal contained in document EB 98/64/R.20 with its addendum, corrigendum and supplement and, upon concluding its review of the proposed loan to the Republic of Uganda, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Republic of Uganda in various currencies in an amount equivalent to nine million five hundred thousand Special Drawing Rights (SDR 9 500 000) to mature on and prior to 15 May 2038 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

33. In approving this programme proposal, the Executive Board also approved its direct supervision by IFAD.

(d) **Asia and the Pacific**



China: Wulin Mountains Minority-Areas Development Project

34. The Executive Board considered the project proposal contained in document EB 98/64/R.22 with its addendum and supplement and, upon concluding its review of the proposed loan to the People's Republic of China, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the People's Republic of China in various currencies in an amount equivalent to twenty-one million one hundred thousand Special Drawing Rights (SDR 21 100 000) to mature on and prior to 1 December 2038 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

(e) **Near East and North Africa**

(i) *Egypt: Sohag Rural Development Project*

35. The Executive Board considered the project proposal contained in document EB 98/64/R.23 with its addendum, corrigendum and supplement and, upon concluding its review of the proposed loan to the Arab Republic of Egypt, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Arab Republic of Egypt in various currencies in an amount equivalent to eighteen million eight hundred and fifty thousand Special Drawing Rights (SDR 18 850 000) to mature on and prior to 1 August 2038 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

(ii) *Romania: Apuseni Development Project*

36. The Executive Board considered the project proposal contained in document EB 98/64/R.24 with its addendum and supplement and, upon concluding its review of the proposed loan to Romania, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to Romania in various currencies in an amount equivalent to twelve million four hundred thousand Special Drawing Rights (SDR 12 400 000) to mature on and prior to 1 December 2018 and to bear an interest rate of one half of the reference interest rate per annum as determined by the Fund annually, and to be upon such other terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”



J. Proposed Grants for Technical Assistance (Agenda Item 10)

- (a) Technical Assistance Grants for Agricultural Research and Training by CGIAR-Supported International Centres

37. The Executive Board considered the information contained in document EB 98/64/R.25 concerning the financing, in part, of the Integrated Management of Potato Late Blight Disease: Refining and Implementing Local Strategies through Farmers' Field Schools by the International Potato Centre (CIP), and the Development and Application of a Biological Control Programme for the Cassava Green Mite in Africa by the International Institute of Tropical Agriculture (IITA), and approved the grants by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, the Integrated Management of Potato Late Blight Disease: Refining and Implementing Local Strategies through Farmers' Field Schools, shall make a grant not exceeding one million fifty thousand United States dollars (USD 1 050 000) to the International Potato Centre (CIP) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

FURTHER RESOLVED: that the Fund, in order to finance, in part, the Development and Application of a Biological Control Programme for the Cassava Green Mite in Africa, shall make a grant not exceeding one million five hundred thousand United States dollars (USD 1 500 000) to the International Institute of Tropical Agriculture (IITA) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

- (b) Technical Assistance Grant for Agricultural Research and Training by a Non-CGIAR-Supported International Centre

38. The Executive Board considered the information contained in document EB 98/64/R.26 concerning the financing, in part, of the Programme for the Development of a Regional Strategy for the Utilization of the North-Western Sahara Aquifer System by the Sahara and Sahelian Observatory (SSO), and approved the grant by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, the Sahara and Sahelian Observatory, shall make a grant not exceeding one million and sixty five thousand United States dollars (USD 1 065 000) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

- (c) Technical Assistance Grant to the African Regional Agricultural Credit Association (AFRACA) for Strengthening the Framework for the Provision of Investment Capital for the Rural Poor in Sub-Saharan Africa

39. The Executive Board considered the information contained in document EB 98/64/R.27 concerning the financing, in part, of the Strengthening of the Framework for the Provision of Investment Capital for the Rural Poor in Sub-Saharan Africa by the African Regional Agricultural Credit Association (AFRACA), and approved the grant by adopting the following resolution:



“RESOLVED: that the Fund, in order to finance, in part, the Strengthening of the Framework for the Provision of Investment Capital for the Rural Poor in Sub-Saharan Africa for five years, shall make a grant not exceeding one million two hundred thousand United States dollars (USD 1 200 000) to the African Regional Agricultural Credit Association (AFRACA) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

- (d) Technical Assistance Grant to the Foundation for International Community Assistance International (FINCA International) for the Regional Capacity-Building Programme on Microcredit Systems

40. The Executive Board considered the information contained in document EB 98/64/R.28 concerning the financing, in part, of the Regional Capacity-Building Programme on Microcredit Systems by the Foundation for International Community Assistance International (FINCA International), and approved the grant by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, the Regional Capacity-Building Programme on Microcredit Systems, for three years, shall make a grant not exceeding six hundred thousand United States dollars (USD 600 000) to the Foundation for International Community Assistance International (FINCA International) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

- (e) Technical Assistance Grant to the International Farming Systems Research Methodology Network (RIMISP) for the FIDAMERICA Network – Phase II

41. The Executive Board considered the information contained in document EB 98/64/R.29 concerning the financing, in part, of the FIDAMERICA Network – Phase II by the International Farming Systems Research Methodology Network (RIMISP) and approved the grant by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, the FIDAMERICA Network – Phase II, for three years, shall make a grant not exceeding eight hundred thousand United States dollars (USD 800 000) to the International Farming Systems Research Methodology Network (RIMISP) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

- (f) Technical Assistance Grant to the Popular Coalition to Eradicate Hunger and Poverty for the Establishment of a Community Empowerment Facility (CEF) as an Initiative of the Popular Coalition to Eradicate Hunger and Poverty

42. The Executive Board considered the information contained in document EB 98/64/R.35 concerning the financing, in part, of the Establishment of a Community Empowerment Facility (CEF) as an initiative of the Popular Coalition to Eradicate Hunger and Poverty and approved the grant by adopting the following resolution:



“RESOLVED: that the Fund, in order to finance, in part, the Establishment of a Community Empowerment Facility (CEF) as an initiative of the Popular Coalition to Eradicate Hunger and Poverty, for one year, commencing in October 1998, shall make a grant not exceeding one million six hundred thousand United States dollars (USD 1 600 000) to the Popular Coalition to Eradicate Hunger and Poverty upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

K. Planned Project Activities (Agenda Item 11)

43. The Executive Board reviewed the documents on Planned Project Activities (EB 98/64/R.30 and addenda) and took note of the information available on projects in the pipeline.

L. Memorandum of Understanding between the Conference of the Parties of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa and the International Fund for Agricultural Development Regarding the Modalities and Administrative Operations of the Global Mechanism (Agenda Item 12)

44. The Executive Board approved the Memorandum of Understanding between the Conference of the Parties of the United Nations Convention to Combat Desertification (CCD) and IFAD regarding the modalities and administrative operations of the Global Mechanism (document EB 98/64/R.31), and in so doing took the first important step in launching the operations of the Global Mechanism.

45. With this approval, the Executive Board also noted that the Memorandum of Understanding would be submitted to the Conference of the Parties of the CCD for its consideration during its second session and that the outcome of this consideration would be submitted to the Executive Board in due course.

M. Annual Sessions of the Governing Council: Amendment of the Rules of Procedure of the Governing Council (Agenda Item 13)

46. The Executive Board reviewed the timing of annual sessions of the Governing Council (document EB 98/64/R.32) and decided to recommend to the Council, by submission of the draft resolution thereon, that it amend its Rules of Procedure to allow that future sessions be held within the first quarter of each year. In conjunction with this, the Executive Board had a fruitful exchange of ideas regarding the submission of Audited Financial Statements to the Governing Council for its approval. Various possibilities were considered with respect to streamlining the modalities currently used. The Executive Board decided, however, to maintain the status quo in this respect.

N. Draft Provisional Agenda for the Twenty-Second Session of the Governing Council (Agenda Item 14)

47. The Executive Board approved the Draft Provisional Agenda for the Twenty-Second Session of the Governing Council (document EB 98/64/R.33) after amending the title of Agenda Item 9 therein to read “Review of the Adequacy of Resources Available to IFAD”.

O. Other Business (Agenda Item 15)



- (a) Election of Representatives of the Governing Council to the IFAD Staff Pension Committee (document EB 98/64/R.34)

48. The Executive Board elected Ambassador Masarweh of Jordan as member, Mr Dilg of Germany as first alternate member, and Ms Toro of Finland as second alternate member to represent the Fund's Governing Council on the IFAD Staff Pension Committee for a period of three years ending September 2001.

- (b) Report on IFAD's Headquarters Building

49. The Executive Board welcomed the oral report on IFAD's Headquarters Building by which it was informed that, since the last Board Session, the new offices in Via del Serafico 200 had been renovated and approximately one third of IFAD's staff had moved there. The report also advised that negotiations had been initiated with the Italian authorities and the proprietors to confirm the rental of the building adjacent to IFAD Headquarters.

- (c) Approval of Disclosure of Documents

50. The Executive Board approved the disclosure of those documents approved at this Session and noted that they would subsequently be posted on IFAD's public website, which has been operational since 26 June 1998. It welcomed the fact that the July 1998 deadline for the start of the 18-month interim phase of the disclosure policy had been successfully met.

- (d) Future Agenda Items on Evaluation Reports

51. The Director for Germany asked the Executive Board to consider having more frequent reports on evaluation. In this respect, it was noted that the Evaluation Committee would review the adequacy of annual reporting to the Executive Board at its April sessions and might present a proposal to the December 1998 Board Session.

Distribution: Restricted

EB 98/64/INF.6/Rev.1

Original: English

English

ANNEX I



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Sixty-Fourth Session
Rome, 9-10 September 1998

**LIST OF PARTICIPANTS TO THE SIXTY-FOURTH SESSION OF THE
EXECUTIVE BOARD**



ANNEX I

State/Member**State/Alternate Member****LIST A****Canada**

Jean DEVLIN
Counsellor (Development)
Alternate Permanent Representative
of Canada to the United Nations
Food and Agriculture Agencies
Rome

France

Jean-Pierre LABOUREIX
Ministre conseiller financier
Ambassade de France
Rome

Germany

Karl-Gerhard DILG
Counsellor
Alternate Permanent Representative
of the Federal Republic of Germany
to IFAD
Rome

Italy

Giovanni SACCO
Directeur
Direction générale du Trésor
Ministère du Trésor
Rome

Japan

Nobutaka SHINOMIYA
Minister
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ANNEX I

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Roma

Panama

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Representante Permanente Adjunto
de la República de Panamá
ante el FIDA
Roma

**LIST OF DOCUMENTS PLACED BEFORE THE EXECUTIVE BOARD AT ITS SIXTY-FOURTH SESSION**

Document No.	Agenda Item	Title
EB 98/64/R.1/Rev.1	2	Provisional Agenda and Annotations
EB 98/64/R.1/Rev.1/Add.1	2	Schedule of Work for the Session
EB 98/64/R.2 + Add.1	3(a)	Status of Contributions to the Fourth Replenishment of IFAD's Resources
EB 98/64/R.3	3(b)	Report on IFAD's Investment Portfolio for the First Half of 1998
EB 98/64/R.4 + Add.1	3(c)	Status Report on Principal and Interest Payments
EB 98/64/R.5	3(d)	Preview of the Programme of Work and Budget of IFAD for 1999
EB 98/64/R.6	3(f)	Report of the Audit Committee
EB 98/64/R.8 + Corr.1	4	IFAD Framework for Bridging Post-Crisis Recovery and Long-Term Development
EB 98/64/R.9	6	Flexible Lending Mechanism
EB 98/64/R.10	7	Progress Report on Human Resource Development
EB 98/64/R.11	8(a)	Côte d'Ivoire: Proposed IFAD Contribution to the Republic of Côte d'Ivoire under the Heavily-Indebted Poor Countries Debt Initiative
EB 98/64/R.12	8(b)	Mozambique: Proposed IFAD Contribution to the Republic of Mozambique under the Heavily-Indebted Poor Countries Debt Initiative
EB 98/64/R.13	8(c)(i)	Bolivia: Proposed IFAD Contribution to the Republic of Bolivia under the Heavily-Indebted Poor Countries Debt Initiative
EB 98/64/R.14	8(c)(ii)	Guyana: Proposed IFAD Contribution to the Co-operative Republic of Guyana under the Heavily-Indebted Poor Countries Debt Initiative
EB 98/64/R.15	9(a)	Resources Available for Commitment



Document No.	Agenda Item	Title
EB 98/64/R.16 + Add.1 + Add.1/Corr.1 + Sup.1	9(b)(i)	Cameroon: National Agricultural Research and Extension Programmes Support Project
EB 98/64/R.17 + Add.1 + Sup.1	9(b)(ii)	Côte d'Ivoire: Rural Development Project in the Zanzan Region
EB 98/64/R.18 + Add.1 + Sup.1	9(c)(i)	Ethiopia: Agricultural Research and Training Project
EB 98/64/R.19 + Add.1 + Sup.1	9(c)(ii)	Lesotho: Sustainable Agricultural Development Programme for the Mountain Areas
EB 98/64/R.20 + Add.1 + Add.1/Corr.1 + Sup.1	9(c)(iii)	Uganda: District Development Support Programme
EB 98/64/R.22 + Add.1 + Sup.1	9(d)	China: Wulin Mountains Minority-Areas Development Project
EB 98/64/R.23 + Add.1 + Corr.1 + Sup.1	9(e)(i)	Egypt: Sohag Rural Development Project
EB 98/64/R.24 + Add.1 + Sup.1	9(e)(ii)	Romania: Apuseni Development Project
EB 98/64/R.25	10(a)	Technical Assistance Grants for Agricultural Research and Training by CGIAR-Supported International Centres
EB 98/64/R.26	10(b)	Technical Assistance Grant for Agricultural Research and Training by a Non-CGIAR-Supported International Centre
EB 98/64/R.27	10(c)	Technical Assistance Grant to the African Regional Agricultural Credit Association (AFRACA) for Strengthening the Framework for the Provision of Investment Capital for the Rural Poor in Sub-Saharan Africa
EB 98/64/R.28	10(d)	Technical Assistance Grant to the Foundation for International Community Assistance International (FINCA International) for the Regional Capacity-Building Programme on Microcredit Systems
EB 98/64/R.29	10(e)	Technical Assistance Grant to the International Farming Systems Research Methodology Network (RIMISP) for the FIDAMERICA Network — Phase II
EB 98/64/R.30 + Add.1 + Add.2	11	Planned Project Activities 1998-99



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Document No.	Agenda Item	Title
EB 98/64/R.31	12	Memorandum of Understanding Between the Conference of the Parties of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa and the International Fund for Agricultural Development Regarding the Modalities and Administrative Operations of the Global Mechanism
EB 98/64/R.32	13	Annual Sessions of the Governing Council: Amendment of the Rules of Procedure of the Governing Council
EB 98/64/R.33	14	Draft Provisional Agenda for the Twenty-Second Session of the Governing Council
EB 98/64/R.34	15(a)	Election of Representatives of the Governing Council to the IFAD Staff Pension Committee
EB 98/64/R.35	10(f)	Technical Assistance Grant to the Popular Coalition to Eradicate Hunger and Poverty for the Establishment of a Community Empowerment Facility (CEF) as an Initiative of the Popular Coalition to Eradicate Hunger and Poverty
EB 98/64/R.36	3(e)	Revised Programme of Work and Budget of IFAD for 1998
EB 98/63/R.29/Corr.1 + Corr.2	5	Revision of the General Conditions Applicable to Loan and Guarantee Agreements: General Conditions for Agricultural Development Financing
EB 98/64/INF.1		Arrangements for the Sixty-Fourth Session of the Executive Board
EB 98/64/INF.2		Results of the Governing Council Vote by Correspondence for the Provision of a Supplementary Amount of USD 1 million to the Budget of IFAD for 1998
EB 98/64/INF.3		Results of the Executive Board Vote by Correspondence Regarding the Settlement of Arrears by the Islamic Federal Republic of The Comoros
EB 98/64/INF.4		IFAD's Lending Terms and Conditions Interest Rate for 1999 for Loans on Ordinary and Intermediate Terms



Document No.	Agenda Item	Title
EB 98/64/INF.5		Information Note Relating to the Status of Implementation of the Islamic Federal Republic of The Comoros Arrears Settlement Plan as of 2 September 1998
EB 98/64/INF.6		Provisional List of Participants to the Sixty-Fourth Session of the Executive Board

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IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Sixty-Fourth Session

Rome, 9-10 September 1998

AGENDA

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 - (b) Report on IFAD's Investment Portfolio for the First Half of 1998
 - (c) Status Report on Principal and Interest Payments
 - (d) Preview of the Programme of Work and Budget of IFAD for 1999
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 - (f) Report of the Audit Committee
4. IFAD Framework for Bridging Post-Crisis Recovery and Long-Term Development
5. Revision of the General Conditions Applicable to Loan and Guarantee Agreements: General Conditions for Agricultural Development Financing
6. Flexible Lending Mechanism
7. Progress Report on Human Resource Development
8. Heavily-Indebted Poor Countries Debt Initiative (HIPC DI) Contributions
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Côte d'Ivoire: Proposed IFAD Contribution to the Republic of Côte d'Ivoire under the Heavily-Indebted Poor Countries Debt Initiative



- (b) **Africa II**
 - Mozambique: Proposed IFAD Contribution to the Republic of Mozambique under the Heavily-Indebted Poor Countries Debt Initiative
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 - (ii) Lesotho: Sustainable Agricultural Development Programme for the Mountain Areas
 - (iii) Uganda: District Development Support Programme
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10. Proposed Grants for Technical Assistance
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- (c) Technical Assistance Grant to the African Regional Agricultural Credit Association (AFRACA) for Strengthening the Framework for the Provision of Investment Capital for the Rural Poor in Sub-Saharan Africa
 - (d) Technical Assistance Grant to the Foundation for International Community Assistance International (FINCA International) for the Regional Capacity-Building Programme on Microcredit Systems
 - (e) Technical Assistance Grant to the International Farming Systems Research Methodology Network (RIMISP) for the FIDAMERICA Network – Phase II
 - (f) Technical Assistance Grant to the Popular Coalition to Eradicate Hunger and Poverty for the Establishment of a Community Empowerment Facility (CEF) as an Initiative of the Popular Coalition to Eradicate Hunger and Poverty
11. Planned Project Activities
12. Memorandum of Understanding between the Conference of the Parties of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa and the International Fund for Agricultural Development Regarding the Modalities and Administrative Operations of the Global Mechanism
13. Annual Sessions of the Governing Council: Amendment of the Rules of Procedure of the Governing Council
14. Draft Provisional Agenda for the Twenty-Second Session of the Governing Council
15. Other Business
- (a) Election of Representatives of the Governing Council to the IFAD Staff Pension Committee
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