



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

Rome, 3-4 May 2000

STATUS REPORT ON PRINCIPAL AND INTEREST PAYMENTS

1. The present document provides information on the status of arrears as at 31 December 1999 with respect to payment of principal and loan interest/service charges due under the Regular Programme and the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA). It comprises six tables and an annex, as follows:

Table 1: Total Loan Interest/Service Charges and Principal in Arrears by Region and Lending Programme

2. Arrears in payments overdue for 15 days or more have increased to USD 55.9 million as at 31 December 1999 (USD 55.2 million under the Regular Programme and USD 0.7 million under the SPA), from USD 51.6 million reported as at 31 December 1998 (USD 51.3 million under the Regular Programme and USD 0.3 million under the SPA). This delinquency situation is mainly concentrated in Africa, with 55% of total arrears, and in one country of the Latin America and the Caribbean region that accounts for 26%.

Table 2: Total Loan Interest/Service Charges and Principal in Arrears by Borrower and Number of Days Overdue

3. This table, which details the overdue amounts by duration, is based on the procedure adopted by IFAD to ensure that loan payments are made as promptly as possible. Sanctions begin on the 75th day of delinquency with the suspension of disbursements for active loans in arrears. At 120 days of delinquency, the entire portfolio of active loans is suspended for any one borrower and, at 300 days of delinquency, loans are placed in non-accrual status and reported as such in the year-end financial statements.



Table 3: Historical Analysis of Total Loan Interest/Service Charges and Principal in Arrears for 75 Days or More

4. This table gives a historical comparison of loans that have reached the critical 75th day, i.e., when disbursements for active loans in arrears are suspended. As will be seen from the table, although arrears continue to rise, the number of loans with arrears of over 75 days in relation to the total number of loans billed has steadily decreased from 12% in 1995 to 6% in 1999. This result underlines the intensified efforts that the Fund has made to keep arrears under control.

Table 4: List of Suspended Loans

5. This table provides a breakdown of all loans in suspension because of arrears as at 31 December 1999, together with the number of days of suspension. As can be seen, a total of six loans are in suspension, involving The Comoros, The Congo and Niger.

Table 5: Summary of Amounts Overdue by Lending Terms

6. A breakdown of the amount of arrears by lending-terms category (highly concessional, intermediate and ordinary terms) is given in this table. These statistics highlight the difficult economic conditions of countries in receipt of intermediate loans and demonstrate that this category of borrower is the one most affected by arrears due to an earlier principal repayment cycle (a grace period of five years for loans on intermediate terms compared with ten years for loans on highly concessional terms).

Table 6: Ratio Reflows

7. This table indicates the percentage of overdue amounts compared to total billing under IFAD loans. As at the end of December 1999, this percentage is steady at 3.4%. If we exclude the countries affected by long-outstanding arrears such as Cuba, Liberia and Somalia, the total arrears figure drops to USD 19.5 million, hence the ratio falls to 1%.

Annex List of Loans with Arrears Overdue by 75 Days or More and Action Taken by IFAD to Resolve the Arrears Situation

8. The annex provides information on borrowers in arrears for more than 75 days and the action taken by IFAD to resolve the situation. Borrowers with overdue amounts of USD 10 000 or less (defined as *de minimis*) have been excluded. As can be seen from the summary of action, IFAD is in close contact with countries that have long-outstanding arrears and is continuing its efforts to resolve the problem. Debt-settlement plans have been made with the Governments of Cameroon, The Comoros, The Congo, Guinea-Bissau and Niger. Cameroon is the only country that is up to date with the agreed plan of payment; and although The Comoros did not comply with their approved plan, they settled arrears as at 31 December 1999. The Sixty-Seventh Session of the Executive Board approved another two debt-settlement plans, for Gabon and Sierra Leone. Both borrowers paid the initial down payments as per the agreed settlement plans, but both have defaulted on their plans since then.



**TABLE 1: TOTAL LOAN INTEREST/SERVICE CHARGES AND PRINCIPAL IN ARREARS
BY REGION AND LENDING PROGRAMME*
(as at 31 December 1999)
(USD)**

	No. of Loans	Principal Loan Repayments	Interest and Service Charges	Total Arrears
Regular Programme				
Africa I	24	20 268 205	9 161 081	29 429 286
Africa II	3	460 779	104 262	565 041
Asia and the Pacific	6	1 414 518	502 683	1 917 201
Latin America and the Caribbean	2	10 137 868	4 598 764	14 736 632
Near East and North Africa	7	6 311 385	2 233 017	8 544 402
Subtotal	42	38 592 755	16 599 807	55 192 562
Special Programme for Africa (SPA)				
Africa I	4	342 263	372 342	714 605
Africa II	1	0	16 201	16 201
Subtotal	5	342 263	388 543	730 806
Combined Regular Programme and SPA				
Africa I	28	20 610 468	9 533 423	30 143 891
Africa II	4	460 779	120 463	581 242
Asia and the Pacific	6	1 414 518	502 683	1 917 201
Latin America and the Caribbean	2	10 137 868	4 598 764	14 736 632
Near East and North America	7	6 311 385	2 233 017	8 544 402
Total	47	38 935 018	16 988 350	55 923 378

* Note: Amounts reported have been delinquent for 15 days or more. Delinquencies of USD 10 000 or less are not included in this report.



**TABLE 2: TOTAL LOAN INTEREST/SERVICE CHARGES AND PRINCIPAL IN ARREARS
BY BORROWER AND NUMBER OF DAYS OVERDUE
(as at 31 December 1999)
(USD '000)**

Borrower	15 to 29 Days	30 to 59 Days	60 to 74 Days	75 to 119 Days¹	120 to 299 Days²	300 Days and Over³	Total Amount Overdue
Armenia	29	-	-	-	-	-	29 *
Burundi	113	-	-	-	-	-	113 *
Cameroon	-	-	-	-	-	3 548	3 548
Central African Republic	-	50	-	-	-	-	50 *
China	-	1 793	-	-	-	-	1 793
Congo	-	-	-	130	211	2 357	2 698
Cuba	-	-	-	-	697	13 972	14 669
D.R. Congo	-	72	-	272	462	5 092	5 898
Djibouti	-	39	-	-	-	-	39 *
Gabon	505	-	-	-	-	532	1 037
Ghana	215	231	-	-	-	-	446 *
Grenada	-	67	-	-	-	-	67
Guinea Equatorial	-	-	-	10	-	-	10 *
Guinea Bissau	51	-	117	-	173	457	798
Korea D.P.R.	-	-	106	-	-	-	106 *
Laos	-	17	-	-	-	-	17 *
Liberia	-	630	-	-	643	11 949	13 222
Niger	-	-	-	-	385	528	913
Rwanda	-	183	-	-	-	-	183 *
Sierra Leone	-	-	-	-	389	882	1 271
Somalia	-	149	106	-	569	7 653	8 477
Swaziland	-	-	285	-	-	-	285 *
Togo	-	-	-	252	-	-	252 *
Total	913	3 231	614	664	3 529	46 970	55 921

* Paid as of date of this report

¹ Active loans with arrears in suspension

² Country portfolio suspension

³ Loans in non-accrual status



**TABLE 3: HISTORICAL ANALYSIS OF TOTAL LOAN INTEREST/SERVICE CHARGES
AND PRINCIPAL IN ARREARS FOR 75 DAYS OR MORE
(as at 31 December 1999)**

Reporting Date	Total Loans Billed	Number of Loans Billed with Arrears of 75 Days or More	Percentage of Loans with Arrears Overdue 75 Days or More Compared to Total Number of Loans Billed	Principal Loan Repayments in Arrears for 75 Days or More (USD '000)	Loan Interest and Service Charges in Arrears for 75 Days or More (USD '000)	Total Amount Overdue by 75 Days or More (USD '000)
31-Dec-87	186	15	8	671	792	1 463
31-Dec-88	211	21	10	4 558	3 076	7 634
31-Dec-89	228	28	12	6 667	5 028	11 695
31-Dec-90	250	33	13	15 267	7 710	22 977
31-Dec-91	275	34	12	15 054	8 400	23 454
31-Dec-92	287	38	13	15 870	5 602	21 472
31-Dec-93	313	28	9	16 731	7 916	24 647
31-Dec-94	341	37	11	23 305	10 045	33 350
31-Dec-95	369	44	12	27 635	12 120	39 755
31-Dec-96	395	41	10	29 775	12 797	42 572
31-Dec-97	425	40	9	30 011	12 886	42 897
31-Dec-98	464	35	7	34 179	13 352	47 531
31-Dec-99	488	29	6	35 426	15 737	51 163

**TABLE 4: LIST OF SUSPENDED LOANS
(as at 31 December 1999)**

Borrower	Loan No. Project Name	Date Suspended	No. of Days in Suspension
Comoros	Pilot Agricultural Services Project (420-KM)	15-May-98	589
	Support to Economic Grass Roots Initiatives Project (SRS-042-KM)	12-May-98	589
Congo	Marketing and Local Initiatives Project (272-CG)	1-Jun-97	930
Niger	Aguié Rural Development Project (292-NG)	26-Aug-99	125
	Special Country Programme – Phase II (381-NE and SRS-046-NE)	26-Aug-99	125



TABLE 5: SUMMARY OF AMOUNTS OVERDUE BY LENDING TERMS
(as at 31 December 1999)
(USD '000)

Lending Terms	Principal	Loan Interest and Service Charges	Total	Per cent
Highly Concessional	14 239	6 315	20 554	37
Intermediate	23 065	10 075	33 140	62
Ordinary	422	142	564	1
Total	37 726	16 532	54 258	100



TABLE 6: RATIO REFLOWS
(as at 31 December 1999)
(USD '000)

Year	Interest	Principal	Total
1979	1	-	1
1980	128	-	128
1981	717	-	717
1982	2 129	-	2 129
1983	4 121	1 471	5 592
1984	7 595	15 262	22 857
1985	10 775	12 217	22 992
1986	17 130	23 468	40 598
1987	22 512	18 535	41 047
1988	25 482	30 813	56 295
1989	26 735	38 927	65 662
1990	30 142	47 672	77 814
1991	35 273	69 206	104 479
1992	38 383	76 895	115 278
1993	36 119	81 783	117 902
1994	37 431	89 015	126 446
1995	42 926	109 949	152 875
1996	39 989	110 069	150 058
1997	42 427	116 805	159 232
1998	41 917	122 556	164 473
December 1999	43 679	133 216	176 895
Total paid	505 611	1 097 859	1 603 470
Arrears 31/12/99			55 923
		Total billed	1 659 393

Total arrears compared to total reflows (capital and interest) since the inception of IFAD stand at 3.4%.

**LIST OF LOANS WITH ARREARS OVERDUE BY 75 DAYS OR MORE AND ACTION TAKEN BY IFAD TO RESOLVE THE ARREARS SITUATION
(as at 31 December 1999)
(all amounts expressed in USD equivalent)**

Loan No.	Principal	Interest/ Service Charges	Delinquent Since	Project Name	
042-CM	CAMEROON			NORTH WEST RURAL DEVELOPMENT PROJECT Loan Amount: SDR 8 644 574.24 Loan Closed Closing Date: 30/06/91 Loan Charge: 1% Coop. Inst.: AFRICAN DEVELOPMENT BANK	
	USD	468 845.71	121 834.09	01/09/93	TOTAL USD 590 679.80
9	140-CM			SECOND WESTERN PROVINCE RURAL DEVELOPMENT PROJECT Loan Amount: SDR 9 324 349.19 Loan Closed Closing Date: 31/12/91 Loan Charge: 4% Coop. Inst.: WORLD BANK	
	USD	2 263 948.71	693 428.85	15/09/93	TOTAL USD 2 957 377.56
			CAMEROON	TOTAL USD 3 548 057.36	

Cameroon is repaying overdue charges in accordance with an approved settlement plan involving 18 semi-annual payments of USD 480 758 commencing October 1995 and ending April 2004. This plan is being adhered to.



117-CG	CONGO				LA CUVETTE ARTISANAL FISHERIES PROJECT		
					Loan Amount : SDR	2 822 930.07	Loan Closed
					Closing Date :	31/12/91	Loan Charge : 4 %
					Coop. Inst. :	AFRICAN DEVELOPMENT BANK	
	USD	873 870.45	440 201.86	01/04/93	TOTAL USD	1 314 072.31	
187-CG					KINDAMBA FOOD CROPS DEVELOPMENT PROJECT		
					Loan Amount : SDR	1 953 279.46	Loan Closed
					Closing Date :	31/12/94	Loan Charge : 4 %
					Coop. Inst. :	WORLD BANK	
	USD	704 422.64	283 481.18	01/03/94	TOTAL USD	987 903.82	
272-CG					MARKETING AND LOCAL INITIATIVES PROJECT		
					Loan Amount : SDR	6 100 000.00	Total Disb. 14.47%
					Closing Date :	31/12/97	Loan Charge : 4 %
					Coop. Inst. :	UNITED NATIONS OFFICE FOR PROJECT SERVICES	
	USD	362 169.89	34 181.62	01/08/97	TOTAL USD	396 351.51	
				CONGO	TOTAL USD	2 698 327.64	

The plan of payment for arrears agreed between the Government of the Republic of The Congo and IFAD in July 1995 envisaged an up-front payment of USD 370 000, with the balance to be paid in 14 semi-annual instalments starting October 1996. As the borrower defaulted in April 1997, loan 272-CG was once again suspended on 1 June 1997. Communication has been stopped since December 1998 due to the severe political crisis.

052-CU	CUBA				CAMALOTE RURAL DEVELOPMENT PROJECT		
					Loan Amount : SDR	10 581 120.93	Loan Closed
					Closing Date :	30/09/89	Loan Charge : 4 %
					Coop. Inst. :	UNITED NATIONS OFFICE FOR PROJECT SERVICES	
	USD	10 075 455.91	4 594 036.87	01/09/89	TOTAL USD	14 669 492.78	
				CUBA	TOTAL USD	14 669 492.78	

Despite numerous meetings and correspondence with government authorities, the arrears situation is at a standstill.

047-ZR	D.R. CONGO				SMALLHOLDER MAIZE PROJECT			
					Loan Amount : SDR	11 824 203.33	Loan Closed	
					Closing Date :	30/06/90	Loan Charge : 1 %	
					Coop. Inst. :	WORLD BANK		
	USD	3 145 429.10	1 197 230.58	15/10/92	TOTAL USD	4 342 659.68		
160-ZR					LULUA AGRICULTURAL DEVELOPMENT PROJECT			
					Loan Amount : SDR	2 978 497.65	Loan Closed	
					Closing Date :	30/06/92	Loan Charge : 1 %	
					Coop. Inst. :	WORLD BANK		
	USD	525 693.18	314 621.40	01/12/92	TOTAL USD	840 314.58		
200-ZR					SOUTH SHABA AGRICULTURAL DEVELOPMENT PROJECT			
					Loan Amount : SDR	3 939 855.95	Loan Closed	
					Closing Date :	31/12/94	Loan Charge : 1 %	
					Coop. Inst. :	WORLD BANK		
	USD	332 642.17	382 922.12	15/02/93	TOTAL USD	715 564.29		
					D.R. CONGO			
					TOTAL USD	5 898 538.55		

In June 1998, an IFAD mission visited the Democratic Republic of The Congo to discuss reactivation of project activities and the arrears issue. Settlement was at the centre of discussions to enable IFAD to resume activities. No agreement was reached.

246-GN	GABON				SMALLHOLDER SUPPORT PROJECT			
					Loan Amount : SDR	7 050 000.00	Total disb. 65.43%	
					Closing Date :	30/6/99	Loan Charge : 8 %	
					Coop. Inst. :	UNITED NATIONS OFFICE FOR PROJECT SERVICES.		
	USD	755 985.47	280 254.74	15/06/98	TOTAL USD	1 036 240.21		
					GABON			
					TOTAL USD	1 036 240.21		

A negotiated settlement plan was approved by the September 1999 Board. Borrower has already made the initial down payment under the plan. Suspension was lifted on 9 August 1999. Since that time, borrower has defaulted on agreed plan of payment.





118-GB	GUINEA-BISSAU				TOMBALI RICE DEVELOPMENT PROJECT		
					Loan Amount : SDR	5 117 133.70	Loan Closed
					Closing Date :	31/12/93	Loan Charge : 1 %
					Coop. Inst. :	AFRICAN DEVELOPMENT BANK	
	USD	455 184.55	160 930.27	01/11/95	TOTAL USD	616 114.82	
SRS-006-GB					RURAL INCENTIVES PROGRAMME		
					Loan Amount : SDR	2 126 405.52	Loan Closed
					Closing Date :	31/12/93	Loan Charge : 1 %
					Coop. Inst. :	WORLD BANK	
	USD	109 379.63	73 096.70	15/12/95	TOTAL USD	182 476.33	
					GUINEA-BISSAU TOTAL USD	798 591.15	

An IFAD mission visited Guinea-Bissau in May 1996 to discuss the arrears and proposed a repayment plan acceptable to the Government. The plan was accepted subject to IFAD management's approval, which was confirmed on 5 June 1996. The plan consisted of an up-front payment of USD 200 000 to be paid by June 1996, and payment of the remaining amount in ten instalments commencing 15 December 1996, on the understanding that all regular payments would be paid on due date. Borrower defaulted on the plan in November 1998, but country portfolio suspension cannot be applied as there are no active IFAD loans to the country.

063-LI	LIBERIA				SMALLHOLDER RICE SEED PROJECT		
					Loan Amount : SDR	6 469 760.32	Loan Closed
					Closing Date :	30/09/88	Loan Charge : 4 %
					Coop. Inst. :	WORLD BANK	
	USD	7 932 465.90	3 928 481.89	15/05/89	TOTAL USD	11 860 947.79	
146-LI					BONG COUNTY AGRICULTURAL DEVELOPMENT PROJECT II		
					Loan Amount : SDR	3 710 013.95	Loan Closed
					Closing Date :	31/12/88	Loan Charge : 1 %
					Coop. Inst. :	WORLD BANK	
	USD	790 544.91	570 393.46	15/05/89	TOTAL USD	1 360 938.37	
					LIBERIA TOTAL USD	13 221 886.16	

Owing to the political situation prevailing in Liberia, formal follow-up procedures have been deferred.

037-NG	NIGER				SECOND MARADI RURAL DEVELOPMENT PROJECT		
					Loan Amount : SDR	5 975 121.25	Loan Closed
					Closing Date :	30/09/88	Loan Charge : 1%
					Coop. Inst. :	WORLD BANK	
	USD	352 109.19	110 204.14	15/01/96	TOTAL USD	462 313.33	
292-NG					AGUIÉ RURAL DEVELOPMENT PROJECT		
					Loan Amount : SDR	8 250 000.00	Total disb. 63.97%
					Closing Date :	30/06/99	Loan Charge : 1%
					Coop. Inst. :	WEST AFRICAN DEVELOPMENT BANK	
	USD	0.00	57 139.56	15/07/96	TOTAL USD	57 139.56	
SRS-009-NG					SPECIAL COUNTRY PROGRAMME		
					Loan Amount : SDR	10 250 000.00	Loan Closed
					Closing Date :	31/03/95	Loan Charge : 1%
					Coop. Inst. :	UNITED NATIONS OFFICE FOR PROJECT SERVICES	
	USD	161 762.38	232 183.05	15/01/96	TOTAL USD	393 945.43	
					NIGER TOTAL USD	913 398.32	

Following an IFAD mission to Niger in April 1997, a repayment plan was negotiated and approved with the Borrower. The plan consisted of ten semi-annual instalments of FRF 496 989.85 commencing 15 January 1998. All payments falling due after April 1997 were to be paid on due date. The Borrower defaulted in July 1999, and loans 292-NG, 381-NE and SRS-046-NE were once again suspended on 26 August 1999.

021-SL	SIERRA LEONE				MAGBOSI INTEGRATED AGRICULTURAL DEVELOPMENT PROJECT Loan Amount : SDR 9 600 000.00 Loan Closed Closing Date : 21/12/96 Loan Charge : 1% Coop. Inst. : WORLD BANK
	USD	486 468.00	157 224.78	15/07/98	TOTAL USD 643 692.78
064-SL					NORTHERN INTEGRATED AGRICULTURAL DEVELOPMENT PROJECT II (NIADP II) Loan Amount : SDR 1 879 418.88 Loan Closed Closing Date : 31/03/88 Loan Charge : 1% Coop. Inst. : WORLD BANK
	USD	95 206.02	32 159.80	01/09/98	TOTAL USD 127 365.82
152-SL					AGRICULTURAL SECTOR SUPPORT PROJECT Loan Amount : SDR 4 417 145.56 Loan Closed Closing Date : 31/12/96 Loan Charge : 1% Coop. Inst. : WORLD BANK
	USD	276 255.01	82 474.14	01/03/98	TOTAL USD 358 729.15
308-SL					NORTH-CENTRAL AGRICULTURAL DEVELOPMENT PROJECT Loan Amount : SDR 6 600 000.00 Total Disb. 57.04 % Closing Date : 31/12/00 Loan Charge : 1% Coop. Inst. : UNITED NATIONS OFFICE FOR PROJECT SERVICES
	USD	0.00	101 084.53	01/03/98	TOTAL USD 101 084.53
SRS-033-SL					NORTH-CENTRAL AGRICULTURAL DEVELOPMENT PROJECT Loan Amount : SDR 3 650 000.00 Total Disb. 45.39 % Closing Date : 31/12/00 Loan Charge : 1% Coop. Inst. : UNITED NATIONS OFFICE FOR PROJECT SERVICES
	USD	0.00	40 396.30	01/03/98	TOTAL USD 40 396.30
				SIERRA LEONE	TOTAL USD 1 271 268.58

A negotiated settlement plan was approved by the September 1999 Board. The Borrower has already made an initial down payment as per agreed settlement plan, and suspension was lifted on loans 308 SL and SRS-033-SL on 9 September 1999. Since then, the Borrower has defaulted on the agreed plan of payment and active loans have once again been suspended.

012-SO	SOMALIA				CENTRAL RANGELANDS DEVELOPMENT PROJECT Loan Amount : SDR 7 000 000.00 Closing Date : 30/06/86 Coop. Inst. : WORLD BANK	Loan Closed Loan Charge : 1 %
	USD	2 217 706.81	854 117.81	15/01/91	TOTAL USD	3 071 824.62
027-SO					BAY REGION AGRICULTURAL DEVELOPMENT PROJECT Loan Amount : SDR 6 250 000.00 Closing Date : 31/03/89 Coop. Inst. : WORLD BANK	Loan Closed Loan Charge : 1 %
	USD	1 991 360.64	772 999.73	1/12/90	TOTAL USD	2 764 360.37
165-SO					NORTH-WEST REGION AGRICULTURAL DEVELOPMENT PROJECT - PHASE II Loan Amount : SDR 3 649 504.60 Closing Date : 30/06/91 Coop. Inst. : WORLD BANK	Loan Closed Loan Charge : 1 %
	USD	1 253 308.48	463 848.31	1/01/91	TOTAL USD	1 717 156.79
182-SO					LIVESTOCK HEALTH SERVICES PROJECT Loan Amount : SDR 810 029.28 Closing Date : 30/06/93 Coop. Inst. : WORLD BANK	Loan Closed Loan Charge : 1 %
	USD	819 969.46	103 062.81	1/05/91	TOTAL USD	923 032.27
				SOMALIA	TOTAL USD	8 476 374.05

Owing to circumstances prevailing in Somalia, formal follow-up procedure continues to be deferred.

