



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-First Session
Rome, 6-7 December 2000

EXECUTIVE BOARD
MINUTES OF THE SEVENTY-FIRST SESSION

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MINUTES OF THE SEVENTY-FIRST SESSION OF THE EXECUTIVE BOARD

I. INTRODUCTION

1. The Seventy-First Session of the Executive Board was held in Rome on 6-7 December 2000. A list of participants is attached as Annex I.
2. The Executive Board had before it the documents listed as Annex II.

II. DECISIONS OF THE EXECUTIVE BOARD

A. Opening of the Session (Agenda Item 1)

3. The President of IFAD, Mr Fawzi H. Al-Sultan, in his capacity as chairperson opened the Seventy-First Session of the Executive Board.

B. Adoption of the Agenda (Agenda Item 2)

4. The Executive Board considered the Provisional Agenda presented in document EB 2000/71/R.1/Rev.1 and, upon concluding its discussion of this item, adopted the Agenda contained in document EB 2000/71/R.1/Rev.2. The Agenda is attached as Annex III.

C. Fifth Replenishment of IFAD's Resources (Agenda Item 3)

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

5. The Executive Board reviewed the Status of Contributions to the Fifth Replenishment of IFAD's Resources (document EB 2000/71/R.2 and addenda). Directors expressed serious concern about the delay in the completion of the Fifth Replenishment and urged early action by Member States to make the pledges necessary to enable its completion. In this context, the Board also reviewed document EB 2000/71/R.39 and agreed to a delegation of authority to the President of IFAD to complete Resolution 119/XXIV on the Fifth Replenishment of IFAD's Resources on its behalf should the necessary conditions be met before the Twenty-Fourth Session of the Governing Council. The only action apart from such declaration that would be required at the time of completion of the Resolution would be the insertion of a figure for the Replenishment in paragraph II.4(a) of Resolution 119/XXIV, which figure would be the total amount that had been pledged on the date of completion of the Resolution.

(b) IFAD's Resource Position at the End of 2000

6. A review of IFAD's Resource Position at the End of 2000 (document EB 2000/71/R.37) highlighted the need to complete the Fifth Replenishment in order to ensure its earliest effectiveness. The lack of payments against the Fifth Replenishment and the poor investment returns in 2000, compounded further by exchange-rate losses, have seriously affected the Fund's resource position. After a lengthy exchange of views, the Board decided not to amend the Fifth Replenishment Resolution and asked for a more regular review of the position.



D. Financial Matters (Agenda Item 4)

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

7. The Executive Board reviewed the Status of Contributions to the Fourth Replenishment of IFAD's Resources (document EB 2000/71/R.3 and addendum), noting that the instruments of contribution deposited and payments in cash or promissory notes received against pledges not supported by instruments of contribution amounted to the equivalent of USD 413.9 million, or about 98.6% of total pledges.

(b) Report on IFAD's Investment Portfolio for the Third Quarter of 2000

8. The Report on IFAD's Investment Portfolio for the Third Quarter of 2000 (document EB 2000/71/R.4) prompted an extensive discussion. Volatility in the equity markets over the past year and unfavourable investment returns led to a number of questions regarding the Fund's investment strategy, although Directors did note that the Fund's returns had outperformed market benchmarks. In this regard it was agreed to consider these issues further during the seminar held in conjunction with the Session, and to review the Deloitte & Touche report prepared in conjunction with the negotiations of the Consultation to Review the Adequacy of the Resources Available to IFAD.

9. Directors welcomed the abbreviated alternative format presented for quarterly reports, as Annex XIV to document EB 2000/71/R.4, and emphasized the importance of providing information on the Fund's investment portfolio in a manner accessible to non-professionals. It was suggested that the format include an executive summary, expert opinions on expected performance of financial markets in the succeeding quarter, and comparisons of IFAD's performance not only against benchmarks but also against peer-group performance. The chairperson of the Audit Committee reiterated the committee's concern that reporting on portfolio performance should remain as "surprise-free" as possible, and that the early warning reporting system, previously requested by the Board during times of particular market volatility, should be reviewed. The new format will be used for the next quarterly report.

(c) Status Report on Principal and Interest Payments

10. The Executive Board noted the Status Report on Principal and Interest Payments contained in document EB 2000/71/R.5 and addendum, as well as the Fund's efforts in actively pursuing each case of arrears.

(d) Settlement of Arrears by the Republic of The Congo

11. The Executive Board considered the information contained in document EB 2000/71/R.34 on the Settlement of Arrears by the Republic of The Congo and approved the following settlement plan:

- “(a) total arrears as of 1 October 2000, equal to FRF 20 677 430 in nominal terms;
- (b) the NPV of the arrears as of 1 October 2000 is equivalent to FRF 28 282 672;
- (c) the NPV of the arrears will be paid to IFAD as follows:
 - (i) down payment of FRF 5 038 814;
 - (ii) ten equal instalments of FRF 2 324 386, to be paid on the following dates:
1 September 2001, 1 March 2002, 1 September 2002, 1 March 2003,
1 September 2003, 1 March 2004, 1 September 2004, 1 March 2005,
1 September 2005 and 1 March 2006; and
- (d) all current billings will be paid on the respective due dates.”



(e) IFAD Drawdown Policy and Encashment Schedules

12. The Executive Board considered the proposal contained in document EB 2000/71/R.6 and, upon concluding its review, adopted the following decision:

- (i) the Executive Board adopts a policy of 100% drawdown of Members' contributions on a pro rata basis;
- (ii) Member States may enter into separate arrangements for payment schedules with IFAD. Such individual arrangements shall not adversely affect the operational needs of the Fund; and
- (iii) the above-mentioned separate arrangements shall be formally agreed by Member States with IFAD on an individual basis prior to the Twenty-Fourth Session of the Governing Council in February 2001 so as to take effect for the next drawdown call in April 2001.

13. In adopting this decision, the Board amended the original proposal by deleting the word "mandatory" before "100% drawdown of Members' contributions on a pro rata basis" in part (i) of the decision.

14. It was further agreed that the Fund's drawdown policy would be reviewed again within the framework of the next replenishment negotiations.

(f) Programme of Work and Budget of IFAD for 2001

15. With regard to the Programme of Work and Budget of IFAD for 2001 (document EB 2000/71/R.7 and addendum) many Directors expressed concern about the proposed reduction in the Fund's lending programme. After an extensive discussion of the issues involved, the Executive Board agreed to the recommendation of a programme of work for 2001 at a level of USD 394 million (document EB 2000/71/R.7/CRP 1). The Board will review the work programme in April 2001, with a view to increasing the programme to 29-30 projects should resources for commitment be available. The Executive Board Director for the United States expressed her country's concern that the programme of work had been planned on the basis of uncertain incoming resources, and the United States abstained from approval.

16. The Executive Board recommended that the proposed administrative budget for 2001, USD 53.266 million, inclusive of the proposal to convert long-term temporary staff to fixed term positions and the contingency of USD 250 000, be submitted to the Governing Council for approval. It also recommended that the Council approve the establishment of the Programme Development Financing Facility (PDFF) and suggested that, once adopted, the new PDFF format be used in the presentation of future Programmes of Work and Budgets of IFAD. The Director for the United States also abstained from approving the establishment of the PDFF.

(g) Report of the Audit Committee

17. The Executive Board endorsed the Report of the Audit Committee (document EB 2000/71/R.8) presented by its chairperson and, on the recommendation of the committee, approved changes in IFAD's policies for the provisioning of overdue loan repayments in line with those of other international financial institutions, by adopting the following decisions:

- “(i) In line with current accounting standards, the Executive Board approves a policy of establishing accounting provisions for overdue loan repayments in order to provide for the deemed impairment of the value of underlying assets. The entire loan, and not just the overdue instalment, shall be subject to impairment. Where it is not possible to estimate



with reasonable certainty the expected cashflows of a loan (as required by the relevant accounting standard), a calculation analogous to the benchmark for provisioning Member State contributions may be used. This means that a provision will be made on all loan instalments overdue by more than 24 months. A provision will also be made for loan instalments on the same loan overdue by less than 24 months. Once this trigger period has been reached, all amounts overdue would be considered to be in provision status, even if part of the total outstanding debt were subsequently repaid. When more than 48 months have elapsed, a provision shall be made for all outstanding principal amounts of the loan.

- (ii) The operative date for determining whether or not the specified period has elapsed will be the balance-sheet date. However, if payment is made for outstanding amounts after the balance-sheet date but prior to the signing of the financial statements by the external auditor, an appropriate adjustment will be made.
- (iii) The net movement in the provision for impairment loss will be included as a separate line item (following administrative expenses) in the statement of activities and changes in net assets; and also separately on the face of the balance sheet. Further details will be given in the notes to the financial statements.
- (iv) Overdue loans in provision status will be taken into account when projecting future resources.
- (v) In line with current market practice, the trigger point for the non-accrual status of overdue loan income and service charges will be reduced from 300 days to 180 days, with effect from 1 January 2001.”

18. The Executive Board also endorsed the committee’s recommendation to authorize additional annual transfers of USD 1.7 million from IFAD’s resources in each of the four consecutive years beginning in 2000 to fund the After-Service Medical Coverage Scheme actuarial deficit.

E. Detailed Design of the Process Re-Engineering Programme (Agenda Item 5)

19. The Executive Board reviewed the Detailed Design of the Process Re-Engineering Programme (document EB 2000/71/R.9) and approved an expenditure of USD 15.5 million for the first phase of its implementation over the period 2001-2003. IFAD will ensure that strategy and operational guidelines are given priority and that the Executive Board is involved in the programme’s procurement process for consultants, for which IFAD will use international bidding and invite the participation of firms from developing countries. The Fund will also report to the Executive Board regularly on the progress being made and on expenditure and benefits. Finally, Directors were assured that the programme’s priorities give precedence to the impact of IFAD’s operations on the rural poor.

F. Market-Based Project Cofinancing (Agenda Item 6)

20. The Executive Board endorsed the proposal for Market-Based Project Cofinancing as contained in document EB 2000/71/R.10, a proposal that would allow IFAD to support recipient governments in gaining access to private-sector funding in order to cofinance activities linked to IFAD projects. It agreed to submit a framework on market-based cofinancing of IFAD projects and programmes to the Twenty-Fourth Session of the Governing Council for its approval. The recommendation provides that the Board consider each specific proposal on a case-by-case basis, thereby reserving to the Executive Board the authority to approve each proposal. It was further agreed that the modalities of the framework would be reviewed after a few specific cases had been undertaken.

G. Resources Available for Commitment (Agenda Item 7)

21. The Executive Board reviewed the information contained in document EB 2000/71/R.11 and noted that sufficient resources were available under IFAD's Regular Programme for commitment to all HIPC DI contributions, and project/programme and grant proposals submitted for Executive Board consideration at the current Session.

H. IFAD's Participation in the Enhanced Heavily-Indebted Poor Countries Debt Initiative (HIPC DI) (Agenda Item 8)

22. The Executive Board reviewed the report on the status of the HIPC DI and IFAD's participation, considered the proposals contained in document EB 2000/71/R.12, and, upon concluding its review of the proposed contributions to the reduction of the debt to IFAD of Benin, Burkina Faso, Honduras, Mali and Senegal within the framework of the Enhanced HIPC DI, adopted the following resolution:

RESOLVED: that the Fund, upon declaration at the completion points by the World Bank and the International Monetary Fund that Benin, Burkina Faso, Honduras, Mali and Senegal have satisfied the conditions for their respective debt relief under the HIPC DI, shall reduce the value of the debt to IFAD for Benin, Burkina Faso, Honduras, Mali and Senegal through **forgiving their respective semi-annual debt-service obligations** to IFAD (principal and service-charge/interest-rate payments) as these fall due after their respective completion points, up to the aggregate SDR net present values listed in Table 4 of document EB 2000/71/R.12.

Table 4: Summary of Decisions Requested from the Executive Board

	Benin	Burkina Faso	Honduras	Mali	Senegal	Total
Total outstanding debt service (SDR million)	33.00	25.53	16.32	40.76	29.60	145.21
NPV of total outstanding debt service (SDR million)	15.08	11.19	7.48	18.43	12.08	64.26
Total % of NPV of debt relief	31.3	46.3	17.8	37.0	19.3	
Total amount of NPV debt relief required, including amounts earlier approved by the Executive Board (SDR million)*	4.72	5.18	1.33	6.82	2.33	20.38

* The corresponding nominal amounts of relief are indicatively provided in Table 2 of document EB 2000/71/R.12. Also see note b to that same table.

23. The Executive Board also approved the general policy principle¹ of incorporating arrears *accrued before IFAD's decision point*² into the front-loaded debt-relief modality for countries:

- that have been declared eligible for debt relief under the HIPC DI;
- that have accrued arrears with IFAD;
- that have made *demonstrated, concrete* efforts to settle these arrears and/or to adhere to the agreed arrears settlement plan, if any; and

¹ "Also applicable to other similarly deserving cases of HIPCs listed in IFAD's periodic report to the Executive Board on arrears."

² "Calculated at 'present value', in accordance with IFAD's policy on arrears-settlement packages (see document GC 21/L.7). Arrears exceeding the level of debt relief to be provided under the HIPC DI will be subject to IFAD's normal policy of arrears settlement. It should be noted that arrears incurred before the cut-off point of eligible debt will not be included in the debt stock to be relieved, as this would unduly inflate the country's debt stock to be treated by the HIPC DI."



- whose debt-servicing capacity in the short term is assessed by the World Bank/IMF as objectively inadequate to service debt and settle the arrears.”

24. IFAD’s contribution to the debt relief in such country cases will therefore be structured as follows:

- at the *decision point*: immediate integration of the eligible arrears² into the NPV of debt relief to be provided to the country by IFAD under HIPC DI;
- during the *interim period*:
 - (a) the Government will remain current on its loan-service obligations as the norm³; and
 - (b) IFAD will first (and upon government request) support the Government in developing its PRSP and subsequently support the implementation of the poverty-reduction strategy with programme assistance, including the immediate reactivation of the country portfolio. IFAD’s ‘arrears integration’ and scope for relief of debt-service requirements during the interim period will directly depend on the quality of the collaboration between the Government and IFAD for the PRSP process; and
- at the *completion point*: on condition of a successful interim period, 100% of debt-service relief until the NPV relief target is reached.

25. The Executive Board Directors for Japan and the United States, while supporting the specific country proposals, abstained from approving the policy of incorporating arrears into debt relief.

I. Project/Programme Proposals for the Consideration of the Board (Agenda Item 9)

26. The Executive Board considered the following project/programme proposals:

(a) **Africa I**

Senegal: Village Organization and Management Project – Phase II

27. The Executive Board considered the project proposal contained in document EB 2000/71/R.13 with its addendum and supplement and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Republic of Senegal in various currencies in an amount equivalent to ten million and seven hundred thousand Special Drawing Rights (SDR 10 700 000) to mature on and prior to 15 August 2040 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.”

³ “As the norm, IFAD will expect 100% debt service during the interim period. However, based on the World Bank/IMF assessment of an individual country’s debt-servicing capacity during this period, IFAD may request the Executive Board to consider lower debt-servicing requirements, for example 50% or, as for instance in the case of Guinea-Bissau, 0% of the debt-servicing requirement during the interim period.”

(b) **Africa II**

(i) *Kenya: Central Kenya Dry Area Smallholder and Community Services Development Project*

28. The Executive Board considered the project proposal contained in document EB 2000/71/R.14 with its addendum and supplement and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Republic of Kenya in various currencies in an amount equivalent to eight million four hundred and fifty thousand Special Drawing Rights (SDR 8 450 000) to mature on and prior to 1 December 2040 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) *Madagascar: Upper Mandrare Basin Development Project – Phase II*

29. The Executive Board considered the project proposal contained in document EB 2000/71/R.16 with its addendum and supplement and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Republic of Madagascar in various currencies in an amount equivalent to nine million eight hundred and fifty thousand Special Drawing Rights (SDR 9 850 000) to mature on and prior to 15 August 2040 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: National Agricultural Advisory Services Programme*

30. The Executive Board considered the programme proposal contained in document EB 2000/71/R.17 with its addendum and supplement and, upon concluding its review, 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 thirteen million seven hundred thousand Special Drawing Rights (SDR 13 700 000) to mature on and prior to 1 December 2040 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.”

(iv) *United Republic of Tanzania: Rural Financial Services Programme*

31. The Executive Board considered the programme proposal contained in document EB 2000/71/R.18 with its addendum and supplement and, upon concluding its review, adopted the following resolution:



“RESOLVED: that the Fund shall make a loan to the United Republic of Tanzania in various currencies in an amount equivalent to twelve million eight hundred thousand Special Drawing Rights (SDR 12 800 000) to mature on and prior to 1 December 2040 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.”

32. The loan for the Rural Financial Services Programme in the United Republic of Tanzania was formulated and approved under the flexible lending mechanism.

(c) **Asia and the Pacific**

(i) *Cambodia: Community-Based Rural Development Project in Kampong Thom and Kampot*

33. The Executive Board considered the project proposal contained in document EB 2000/71/R.19 with its addendum and supplement and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Kingdom of Cambodia in various currencies in an amount equivalent to seven million eight hundred and fifty thousand Special Drawing Rights (SDR 7 850 000) to mature on and prior to 1 December 2040 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) *China: West Guangxi Poverty-Alleviation Project*

34. The Executive Board considered the project proposal contained in document EB 2000/71/R.20 with its addendum and supplement and, upon concluding its review, 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-three million eight hundred thousand Special Drawing Rights (SDR 23 800 000) to mature on and prior to 1 December 2040 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) *D.P.R. Korea: Uplands Food Security Project*

35. The Executive Board considered the project proposal contained in document EB 2000/71/R.21 with its addendum and supplement and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Democratic People’s Republic of Korea in various currencies in an amount equivalent to nineteen million one hundred and fifty thousand Special Drawing Rights (SDR 19 150 000) to mature on and prior to 1 December 2040 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.”

36. The Executive Board Directors for Japan and the United States abstained from the consensus on the proposal. Directors also raised concerns with regard to the enabling environment but appreciated the Fund’s increasing collaboration with other United Nations agencies.



(iv) *Pakistan: Southern Federally Administered Tribal Areas Development Project*

37. The Executive Board considered the project proposal contained in document EB 2000/71/R.22 with its addendum and supplement and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Islamic Republic of Pakistan in various currencies in an amount equivalent to thirteen million four hundred thousand Special Drawing Rights (SDR 13 400 000) to mature on and prior to 1 December 2040 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.”

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

*Uruguay: National Smallholder Support Programme – Phase II
(PRONAPPA II)*

38. The Executive Board considered the programme proposal contained in document EB 2000/71/R.23 and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Eastern Republic of Uruguay in various currencies in an amount equivalent to ten million eight hundred thousand Special Drawing Rights (SDR 10 800 000) to mature on and prior to 1 January 2019 and to bear an interest rate equal to 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.”

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

(i) *Egypt: President’s Memorandum: Sohag Rural Development Project – Extension of Loan Effectiveness (Loan No. 484-EG)*

39. The Executive Board took note of the information contained in document EB 2000/71/R.35 and approved the extension of the date of effectiveness of Loan No. 484-EG for the Sohag Rural Development Project to 10 June 2001 to allow sufficient time for the finalization of loan effectiveness.

(ii) *Morocco: Rural Development Project in the Mountain Zones of Al-Haouz Province*

40. The Executive Board considered the project proposal contained in document EB 2000/71/R.24 with its addendum and supplement and, upon concluding its review, adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Kingdom of Morocco in various currencies in an amount equivalent to fourteen million one hundred thousand Special Drawing Rights (SDR 14 100 000) to mature on and prior to 15 January 2021 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. Grant Proposals for the Consideration of the Board (Agenda Item 10)

41. The Executive Board considered the following grant proposals:

- (a) **Technical Assistance Grant to the Popular Coalition to Eradicate Hunger and Poverty for Empowering the Rural Poor through Access to Productive Assets: A Grant for Community Empowerment Facility Expansion and Secretariat Operating Costs**

42. The Executive Board considered the information contained in document EB 2000/71/R.25 and approved the grant by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, Empowering the Rural Poor through Access to Productive Assets: A Grant for CEF Expansion and Secretariat Operating Costs, for two years, commencing in January 2001, shall make a grant not exceeding one million United States Dollars (USD 1 000 000) 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.”

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

43. The Executive Board considered the grant proposals contained in documents EB 2000/71/R.33 and EB 2000/71/R.26, respectively, concerning the financing, in part, to the two centres listed below and approved the grants by adopting the following resolutions:

“RESOLVED: that the Fund, in order to finance, in part, the Applied Research Programme for the Utilization of Brackish/Saline Water in North Africa, for four years, shall make a grant not exceeding four hundred thousand United States Dollars (USD 400 000) to the Arab Center for the Studies of Arid Zones and Dry Lands (ACSAD) 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 Diffusion of Technologies for Smallholder Bamboo- and Rattan-Based Producers – Phase II, shall make a grant not exceeding one million two hundred and ninety five thousand United States Dollars (USD 1 295 000) to the International Network for Bamboo and Rattan (INBAR) 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 Tropical Agricultural Research and Training Centre (CATIE) for a Programme for Improving the Technical Capacity of Local Organizations to Support Rural Investment Projects in Central America, Mexico and Panama**

44. The Executive Board considered the information contained in document EB 2000/71/R.27 and approved the grant by adopting the following resolution:



“RESOLVED: that the Fund, in order to finance, in part, the technical assistance grant in support of the programme for Improving the Technical Capacity of Local Organizations to Support Rural Investment Projects in Central America, Mexico and Panama, for three years shall make a grant not exceeding eight hundred and eighty thousand United States Dollars (USD 880 000) to the Tropical Agricultural Research and Training Centre (CATIE), Costa Rica, 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) IFAD/NGO Extended Cooperation Programme (ECP) Grant to World Vision for the Bobonaro Watershed Project in East Timor

45. The Executive Board considered the information contained in document EB 2000/71/R.38 and approved the grant by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, the Bobonaro Watershed Project in the territory of East Timor for one year, beginning in January 2001, shall make a grant to World Vision not exceeding seventy-four thousand five hundred United States Dollars (USD 74 500), under the IFAD/NGO Extended Cooperation Programme (ECP), 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.”

46. The Executive Board Director for Indonesia requested that Indonesia’s reservations on this grant proposal be recorded.

K. Planned Project Activities (Agenda Item 11)

47. The Executive Board reviewed the documents on Planned Project Activities 2000-2001 (EB 2000/71/R.28 and addenda) and took note of the information available on projects in the pipeline.

L. Progress Report by the Popular Coalition to Eradicate Hunger and Poverty (Agenda Item 12)

48. The Executive Board noted the Progress Report by the Popular Coalition to Eradicate Hunger and Poverty (document EB 2000/71/R.29), which highlighted the events in 2000 that led to the consolidation of a coherent programme for the Coalition and a concrete institutional structure for the continuation of its work. The Executive Board agreed to submit the Report to the Twenty-Fourth Session of the Governing Council.

M. Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (Agenda Item 13)

49. The Executive Board noted the progress report on the 2000 operations of the Global Mechanism of the United Nations Convention to Combat Desertification contained in document EB 2000/71/R.30 and agreed to submit it to the Twenty-Fourth Session of the Governing Council.



N. Other Business (Agenda Item 14)

(a) Invitation of Observers to Sessions of the Governing Council

50. Given that the Arab Authority for Agricultural Investment and Development (AAID) and Ingénieurs du Monde-Engineers of the World meet the criteria established by the Executive Board, as shown in document EB 2000/71/R.31, the Board authorized the President of IFAD to invite both organizations as observers to the Twenty-Fourth and future sessions of the Governing Council.

(b) Revised Provisional Agenda for the Twenty-Fourth Session of the Governing Council

51. The Executive Board approved the revised Provisional Agenda for the Twenty-Fourth Session of the Governing Council, as contained in document EB 2000/71/R.32, which took into account the discussions at the Board.

(c) Appointment of the President: Transition in the Office of the President

52. The Executive Board reviewed the proposal brought forward by the Convenors of the Fund's three Lists of Member States to have the Governing Council consider establishing a transitional period between the time an out-going President leaves office and the time the President-elect assumes the office of President of IFAD. After consideration of the issue, the Board decided to forward its recommendation as contained in document EB 2000/71/R.36/Rev.1 and the draft resolution therein to the Twenty-Fourth Session of the Governing Council for its approval.

(d) Application for Non-Original Membership

53. The Executive Board considered document EB 2000/71/R.40 and decided to recommend to the Governing Council that it approve the application for membership of the Republic of Iceland at its Twenty-Fourth Session in February 2001.

(e) Millennium Assembly Follow-Up

54. The Executive Board held brief discussions on the importance of the declaration made by the Millennium Summit, held in New York on 6-8 September 2000 within the 55th Session of the General Assembly ("The Millennium Assembly"). It agreed that IFAD should participate in the Millennium Summit follow-up, and a report will be given to the Board, to this effect, at its Seventy-Second Session in April 2001.

(f) World Food Summit – Five Years On

55. The Executive Board held similar discussions on the significance of the World Food Summit – Five Years On and suggested that IFAD participate actively in this event. A report will be given to the Board, to this effect, at its Seventy-Second Session in April 2001.



(g) Report on IFAD's Headquarters Building

56. The Executive Board took note of the oral report on IFAD's headquarters building announcing the imminent completion of renovation of the adjacent building and the expected time frame for the staff move.

(h) Approval of Disclosure of Documents

57. The Executive Board approved the disclosure of the documents approved at the present Session, and noted that the documents would be subsequently posted on IFAD's public website.



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-First Session
Rome, 6-7 December 2000

**LIST OF PARTICIPANTS AT THE SEVENTY-FIRST SESSION
OF THE EXECUTIVE BOARD**

**LISTE DES PARTICIPANTS À LA SOIXANTE ET ONZIÈME SESSION
DU CONSEIL D'ADMINISTRATION**

**LISTA DE LOS PARTICIPANTES EN EL 71° PERÍODO DE SESIONES
DE LA JUNTA EJECUTIVA**



Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST A

Canada

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

France

Alain GUILLOUËT
Ministre
Conseiller financier auprès
de l'Ambassade de France
Rome

Germany

Rudolf Josef HUBER
First Counsellor
Alternate Permanent Representative
of the Federal Republic of Germany
to IFAD
Rome

Italy

Augusto ZODDA
Directeur général
Affaires générales, personnel et
processus organisationnels
Ministère du Trésor, du budget
et de la planification économique
Rome

Spain

Jorge DOMEcq
Ministro Plenipotenciario
Embajada de España
Roma

Belgium

Christian PANNEELS
Conseiller
Chef de la Section de coopération
au développement
Représentation permanente
du Royaume de Belgique
auprès du FIDA
Rome

Switzerland

Lothar CAVIEZEL
Conseiller scientifique principal
Direction du développement
et de la coopération
Département fédéral des
affaires étrangères
Berne

Portugal

Carlos Manuel DOS SANTOS FIGUEIREDO
Director
General Directorate for European
and International Affairs
Ministry of Finance
Lisbon



ANNEX I

Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST A (cont'd)

Japan

Keiji YAMAMOTO
Minister
Deputy Head of Mission
Embassy of Japan
Rome

Netherlands

Jan BERTELING
Ambassador
Permanent Representative of the
Kingdom of The Netherlands
to FAO, WFP and IFAD
Rome

Norway

Dag BRISEID
Minister Counsellor
Permanent Representative of the
Kingdom of Norway to IFAD
Rome

United States

Lynne A. REICH
International Economist
Office of Multilateral
Development Banks
Department of the Treasury
Washington, D.C.

Denmark

Jorgen MAERSK-PEDERSEN
Minister Counsellor
Deputy Permanent Representative
of the Kingdom of Denmark to
the United Nations Food and
Agriculture Agencies
Rome

United Kingdom

Anthony BEATTIE
Minister
Permanent Representative of the
United Kingdom to the United
Nations Food and Agriculture
Agencies
Rome

Sweden

Michael ODEVALL
Minister
Permanent Representative of
the Kingdom of Sweden
to IFAD
Rome

Australia

Robin DAVIES
Counsellor (Development Cooperation)
Australian Permanent Delegation
to the OECD
Paris



Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST B

Kuwait

Hisham Ibrahim AL-WOQAYAN
Deputy Director-General
Operations and Disbursement
Kuwait Fund for Arab
Economic Development
Kuwait City

United Arab Emirates

Mohammed Fahad AL DUHAIM
Ambassador of the United Arab
Emirates to the United Nations
Food and Agriculture Agencies
Rome

Nigeria

Gabriel LOMBIN
Minister
Permanent Representative of the
Federal Republic of Nigeria to the
United Nations Agencies for
Food and Agriculture
Rome

Saudi Arabia

Ahmad Ben Souleiman AL-AQUIL
Minister Plenipotentiary
Permanent Representative of
the Kingdom of Saudi Arabia
to FAO
Rome

Indonesia

Natigor SIAGIAN
Director of Marketing and Distribution
Directorate General of Primary Industry
and Agricultural Products
Ministry of Agriculture
Jakarta

Venezuela

Carlos POZZO BRACHO
Consejero
Representante Permanente Alterno
de la República Bolivariana de
Venezuela ante los Organismos
de las Naciones Unidas
Roma

Algeria

Ahmed HACHEMI
Conseiller
Représentant permanent adjoint
de la République algérienne
démocratique et populaire
auprès du FIDA
Rome



ANNEX I

Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST C
SUB-LIST C1 - Africa

Angola

Boaventura DA SILVA CARDOSO
Ambassadeur de la République
d'Angola auprès du FIDA
Rome

Egypt

Mohamad KHALIFA
Agricultural Counsellor
Deputy Permanent Representative
of the Arab Republic of Egypt
to the United Nations Food and
Agriculture Agencies
Rome

Tunisia

Kamel BEN REJEB
Directeur général de la coopération
financière multilatérale
Ministère de la coopération internationale
et de l'investissement extérieur
Tunis

Eritrea

Yohannes TENSUE
First Secretary
Alternate Permanent Representative
of the State of Eritrea to the
United Nations Food and
Agriculture Agencies
Rome

LIST C
SUB-LIST C2 - Europe, Asia and the Pacific

China

LIANG Qu
Minister Plenipotentiary
Permanent Representative of the
People's Republic of China
to IFAD
Rome

Sri Lanka

Deeptha KULATILLEKE
Minister Counsellor (Commercial)
Alternate Permanent Representative
of the Democratic Socialist
Republic of Sri Lanka
to IFAD
Rome



Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST C

SUB-LIST C2 - Europe, Asia and the Pacific (cont'd)

India

Neela GANGADHARAN
Minister (Agriculture)
Embassy of the Republic
of India
Rome

Republic of Korea

CHO Il-ho
Deputy Director
Multilateral Cooperation Division
Ministry of Agriculture
and Forestry
Kyonggido

LIST C

SUB-LIST C3 - Latin America and the Caribbean

Brazil

Julio César GOMES DOS SANTOS
Ambassador of the Federative
Republic of Brazil to IFAD
Rome

Panama

Horacio J. MALTEZ
Ministro Consejero
Representante Permanente Adjunto
de la República de Panamá
ante el FIDA
Roma

Mexico

Víctor Hugo MORALES MELENDEZ
Consejero
Representante Permanente Adjunto
de los Estados Unidos Mexicanos
ante el FIDA
Roma

Argentina

Ariel FERNÁNDEZ
Secretario
Representante Permanente Alterno
de la República Argentina
ante el FIDA
Roma

LIST OF DOCUMENTS PLACED BEFORE THE SEVENTY-FIRST SESSION OF THE EXECUTIVE BOARD

Document No.	Agenda Item	Title
EB 2000/71/R.1/Rev.2	2	Agenda
EB 2000/71/R.2 + Add.1 + Add.2	3(a)	Status of Contributions to the Fifth Replenishment of IFAD's Resources
EB 2000/71/R.3 + Add.1	4(a)	Status of Contributions to the Fourth Replenishment of IFAD's Resources
EB 2000/71/R.4	4(b)	Report on IFAD's Investment Portfolio for the Third Quarter of 2000
EB 2000/71/R.5 + Add.1	4(c)	Status Report on Principal and Interest Payments
EB 2000/71/R.6	4(e)	IFAD Drawdown Policy and Encashment Schedules
EB 2000/71/R.7 + Add.1 + C.R.P.1	4(f)	Programme of Work and Budget of IFAD for 2001
EB 2000/71/R.8	4(g)	Report of the Audit Committee
EB 2000/71/R.9	5	Detailed Design of the Process Re-Engineering Programme
EB 2000/71/R.10	6	Market-Based Project Cofinancing
EB 2000/71/R.11	7	Resources Available for Commitment
EB 2000/71/R.12	8	IFAD's Participation in the Enhanced Heavily-Indebted Poor Countries Debt Initiative (HIPC DI)
EB 2000/71/R.13 + Add.1 + Sup.1	9(a)	Senegal: Village Organization and Management Project – Phase II
EB 2000/71/R.14 + Add.1 + Sup.1	9(b)(i)	Kenya: Central Kenya Dry Area Smallholder and Community Services Development Project
EB 2000/71/R.16 + Add.1 + Sup.1	9(b)(ii)	Madagascar: Upper Mandrare Basin Development Project – Phase II
EB 2000/71/R.17 + Add.1 + Sup.1	9(b)(iii)	Uganda: National Agricultural Advisory Services Programme
EB 2000/71/R.18 + Add.1 + Sup.1	9(b)(iv)	Tanzania, United Republic of: Rural Financial Services Programme



ANNEX II

Document No.	Agenda Item	Title
EB 2000/71/R.19 + Add.1 + Sup.1	9(c)(i)	Cambodia: Community-Based Rural Development Project in Kampong Thom and Kampot
EB 2000/71/R.20 + Add.1 + Sup.1	9(c)(ii)	China: West Guangxi Poverty-Alleviation Project
EB 2000/71/R.21 + Add.1 + Sup.1	9(c)(iii)	D.P.R. Korea: Uplands Food Security Project
EB 2000/71/R.22 + Add.1 + Sup.1	9(c)(iv)	Pakistan: Southern Federally Administered Tribal Areas Development Project
EB 2000/71/R.23	9(d)	Uruguay: National Smallholder Support Programme – Phase II (PRONAPPA II)
EB 2000/71/R.24 + Add.1 + Sup.1	9(e)(ii)	Morocco: Rural Development Project in the Mountain Zones of Al-Haouz Province
EB 2000/71/R.25	10(a)	Technical Assistance Grant to the Popular Coalition to Eradicate Hunger and Poverty for Empowering the Rural Poor through Access to Productive Assets: A Grant for Community Empowerment Facility Expansion and Secretariat Operating Costs
EB 2000/71/R.26	10(b)	Technical Assistance Grant for Agricultural Research and Training by a Non-CGIAR-Supported International Centre – International Network for Bamboo and Rattan (INBAR):Development and Diffusion of Technologies for Smallholder Bamboo- and Rattan-Based Producers – Phase II
EB 2000/71/R.27	10(c)	Technical Assistance Grant to the Tropical Agricultural Research and Training Centre (CATIE) for a Programme for Improving the Technical Capacity of Local Organizations to Support Rural Investment Projects in Central America, Mexico and Panama
EB 2000/71/R.28 + Add.1 + Add.2 + Add.3	11	Planned Project Activities 2000-2001
EB 2000/71/R.29	12	Progress Report by the Popular Coalition to Eradicate Hunger and Poverty
EB 2000/71/R.30	13	Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa



ANNEX II

Document No.	Agenda Item	Title
EB 2000/71/R.31	14(a)	Invitation of Observers to Sessions of the Governing Council
EB 2000/71/R.32	14(b)	Revised Provisional Agenda for the Twenty-Fourth Session of the Governing Council
EB 2000/71/R.33	10(b)	Technical Assistance Grant to the Arab Center for the Studies of Arid Zones and Dry Lands (ACSAD) for the Applied Research Programme for the Utilization of Brackish/Saline Water in North Africa
EB 2000/71/R.34	4(d)	Settlement of Arrears by the Republic of The Congo
EB 2000/71/R.35	9(e)(i)	Egypt: President's Memorandum: Sohag Rural Development Project – Extension of Loan Effectiveness (Loan No. 484-EG)
EB 2000/71/R.36	14(c)	Appointment of the President: Transition in the Office of the President – Proposal by the Convenors of IFAD's Lists (Note Prepared by the Secretariat)
EB 2000/71/R.37	3(b)	IFAD's Resource Position at the End of 2000
EB 2000/71/R.38	10(d)	IFAD/NGO Extended Cooperation Programme (ECP) Grant to World Vision for the Bobonaro Watershed Project in East Timor
EB 2000/71/R.39	3(a)	Completion of Resolution 119/XXIV on the Fifth Replenishment of IFAD's Resources
EB 2000/71/R.40	14(d)	Application for Non-Original Membership
EB 2000/71/INF.1		Arrangements for the Seventy-First Session of the Executive Board
EB 2000/71/INF.2/Rev.1		List of IFAD Staff Involved in the Preparation of Loan, Grant and HIPC DI Contribution Proposals for Submission to the Seventy-First Session of the Executive Board
EB 2000/71/INF.3		Launching of the Rural Poverty Report 2001
EB 2000/71/INF.4		Sultanate of Oman – Community Resources Management Project



ANNEX II

Document No.	Agenda Item	Title
EB 2000/71/INF.5		Report on the Allocation of Contingency Under the Budget of IFAD for 2000
EB 2000/71/INF.6/Rev.1		List of Participants at the Seventy-First Session of the Executive Board
EB 2000/71/INF.7		Cooperation Agreement with the Arab Authority for Agricultural Investment and Development (AAAID)



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-First Session

Rome, 6-7 December 2000

AGENDA

1. Opening of the Session
2. Adoption of the Agenda
3. Fifth Replenishment of IFAD's Resources
 - (a) Status of Contributions to the Fifth Replenishment of IFAD's Resources
 - (b) IFAD's Resource Position at the End of 2000
4. Financial Matters
 - (a) Status of Contributions to the Fourth Replenishment of IFAD's Resources
 - (b) Report on IFAD's Investment Portfolio for the Third Quarter of 2000
 - (c) Status Report on Principal and Interest Payments
 - (d) Settlement of Arrears by the Republic of The Congo
 - (e) IFAD Drawdown Policy and Encashment Schedules
 - (f) Programme of Work and Budget of IFAD for 2001
 - (g) Report of the Audit Committee
5. Detailed Design of the Process Re-Engineering Programme
6. Market-Based Project Cofinancing
7. Resources Available for Commitment
8. IFAD's Participation in the Enhanced Heavily-Indebted Poor Countries Debt Initiative (HIPC DI)



9. Project/Programme Proposals for the Consideration of the Board
 - (a) Africa I

Senegal: Village Organization and Management Project – Phase II
 - (b) Africa II
 - (i) Kenya: Central Kenya Dry Area Smallholder and Community Services Development Project
 - (ii) Madagascar: Upper Mandrare Basin Development Project – Phase II
 - (iii) Uganda: National Agricultural Advisory Services Programme
 - (iv) United Republic of Tanzania: Rural Financial Services Programme
 - (c) Asia and the Pacific
 - (i) Cambodia: Community-Based Rural Development Project in Kampong Thom and Kampot
 - (ii) China: West Guangxi Poverty-Alleviation Project
 - (iii) D.P.R. Korea: Uplands Food Security Project
 - (iv) Pakistan: Southern Federally Administered Tribal Areas Development Project
 - (d) Latin America and the Caribbean

Uruguay: National Smallholder Support Programme – Phase II (PRONAPPA II)
 - (e) Near East and North Africa
 - (i) Egypt: President’s Memorandum: Sohag Rural Development Project – Extension of Loan Effectiveness (Loan No. 484-EG)
 - (ii) Morocco: Rural Development Project in the Mountain Zones of Al-Haouz Province
10. Grant Proposals for the Consideration of the Board
 - (a) Technical Assistance Grant to the Popular Coalition to Eradicate Hunger and Poverty for Empowering Rural Poor through Access to Productive Assets: A Grant for Community Empowerment Facility Expansion and Secretariat Operating Costs
 - (b) Technical Assistance Grants for Agricultural Research and Training by Non-CGIAR-Supported International Centres
 - (c) Technical Assistance Grant to the Tropical Agricultural Research and Training Centre (CATIE) for a Programme for Improving the Technical Capacity of Local Organizations to Support Rural Investment Projects in Central America, Mexico and Panama
 - (d) IFAD/NGO Extended Cooperation Programme (ECP) Grant to World Vision for the Bobonaro Watershed Project in East Timor
11. Planned Project Activities
12. Progress Report by the Popular Coalition to Eradicate Hunger and Poverty



13. Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa
14. Other Business
 - (a) Invitation of Observers to Sessions of the Governing Council
 - (b) Revised Provisional Agenda for the Twenty-Fourth Session of the Governing Council
 - (c) Appointment of the President: Transition in the Office of the President
 - (d) Application for Non-Original Membership
 - (e) Millennium Assembly Follow-Up
 - (f) World Food Summit – Five Years On
 - (g) Report on IFAD's Headquarters Building
 - (h) Approval of Disclosure of Documents