



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

Rome, 25-26 April 2001

AUDITED FINANCIAL STATEMENTS OF IFAD AS AT 31 DECEMBER 2000

1. The Executive Board is invited to consider the attached Financial Statements (Appendices A-H) and the Report of the External Auditor thereon for submission to the Governing Council for approval. The Financial Statements have been prepared in accordance with accounting principles recommended by the International Accounting Standards Committee.
2. In accordance with Article 6, Section II, of the Agreement Establishing IFAD, the Financial Statements will form part of IFAD's Annual Report for 2000 and, as in previous years, a note will be inserted to the effect that they have been submitted by the Executive Board to the Governing Council with a recommendation for their approval.
3. The Executive Board at its Fifty-Fifth Session approved that Phases I and II of the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (the Special Programme for Africa – SPA) be terminated on 31 December 1995 and integrated into IFAD's Article 4 Resources on 1 January 1996. The Financial Statements reflect that decision. Where appropriate, figures relating to SPA, such as contributions and loans, are identified separately in the appendices to the present document.
4. The Financial Statements reflect the following key points:

Statement of Activities and Changes in Net Assets (Appendix A)

- (a) The net loss on investments amounted to USD 47.0 million in 2000 compared with investment income of USD 196.2 million restated for 1999. The investment loss for 2000 includes interest from fixed-income investments of USD 68.0 million compared with USD 89.4 million in 1999. Dividend income for 2000 amounts to USD 11.8 million compared with USD 8.7 million in 1999. Total net realized and unrealized market value losses amounted to USD 118.9 million compared with a gain of USD 104.0 million in 1999. Interest income from banks was USD 0.9 million in 2000, unchanged from 1999. IFAD used the services of external investment managers to manage the major part of its investment portfolio. The fees for investment managers and custody and other



investment costs, which are charged against investment income, amounted to USD 11.3 million in 2000 compared with USD 10.1 million in 1999.

- (b) Income from interest and service charges on loans amounted to USD 44.3 million in 2000 compared with USD 43.5 million in 1999. In line with the policy initiated in 1988, the Fund has excluded interest and service charges on loans with arrears in excess of ten months. The amount in 2000 was USD 2.7 million compared with USD 2.8 million in 1999.
- (c) Total operational and administrative expenditures, as indicated in the Statement of Activities and Changes in Net Assets (Appendix A), amounted to USD 47.0 million compared with a budget of USD 52.0 million. In addition, in 2000 there was a charge of USD 4.3 million representing the second of five tranches for the current After-Service Medical Coverage Scheme deficit, as approved by the Executive Board in December 1998. This includes an integration of USD 1.7 million to the original deficit, as approved by the Executive Board in December 2000.
- (d) IFAD has been participating in the Heavily-Indebted Poor Countries Debt Initiative (HIPC DI) since 1997 (in accordance with Resolution 101/XX of the Twentieth Session of the Governing Council). During 2000, IFAD changed its accounting policy related to HIPC DI and this resulted in a net charge (after currency effects) of USD 73.6 million (1999 restated – USD 2.1 million). This charge represents the part approved during 2000 of the total cumulative cost of debt relief of USD 104.6 million as at 31 December 2000.

Statement of Changes in Accumulated Surplus (Appendix A1)

This statement complies with the requirements of International Accounting Standard (IAS) No. 21, which states that all gains and losses arising from foreign exchange rate movements should be taken through the Statement of Activities and Changes in Net Assets as opposed to passing through the Balance Sheet as in previous years. This policy was adopted in 1995.

The statement includes the accumulated surplus arising from the excess of revenue over expenses, foreign exchange rate movements and net charges for the cumulative commitments for the HIPC DI.

Balance Sheet (Appendix B)

The Fund has made provisions relating to overdue Members' contributions, as follows:

	USD '000
Promissory notes	106 082
Amounts receivable	<u>89 555</u>
	195 637

These are shown in Appendix B and detailed by Member State in Notes 6 and 7 of Appendix H.

It should be noted that, as at 31 December 2000, 12 countries had loans with arrears of ten months or more and are thus in non-accrual status. Details of the countries and amounts involved are given in Note 8 of Appendix H.

As in the case of arrears on Members' contributions, the Fund is making continued efforts to eliminate all arrears on its loans.



Statement of Cash Flows (Appendix C)

Appendix C has been prepared in accordance with IAS No. 7 (revised). The movements in cash and investments (excluding equities from 2000) in the Balance Sheet are dealt with in detail in this appendix.

Statement of Resources Available for Commitment (Appendix D)

This statement includes all assets in freely-convertible currencies which may be considered committable in accordance with the policy adopted at the Thirty-Fourth Session of the Executive Board.

Statement of Members' Contributions and Special Contributions (Appendix E)

Appendix E combines contributions to the initial resources of the Fund and the First and Second replenishments, as all amounts have been drawn down and full disclosure on non-payment has been made in Appendix H - Notes to the Financial Statements. Details on contributions to the Third, Fourth and Fifth Replenishments are also provided.

Statement of Loans (Appendix F)

The position, country-by-country, of the Fund's borrowers is given in this appendix, with a split between United States dollar loans and loans in Special Drawing Rights.

Summary of the Heavily-Indebted Poor Countries Debt Initiative (Appendix G)

This appendix contains an analysis, country-by-country, of the debt relief provided to date and current commitments for future relief, as authorized by the Executive Board.

5. The Financial Statements for 2000 will be reviewed in detail at a meeting of the Audit Committee to be held on 4 April 2001. The Chairman of the Audit Committee will make a formal report to the Seventy-Second Session of the Executive Board on the conclusions of the committee with respect to these statements.

Recommendation

6. Accordingly, the Executive Board may wish to adopt the following decision:

“In accordance with Regulation XII-6 of the Financial Regulations of IFAD, the Executive Board considered the 2000 Financial Statements of IFAD and the Report of the External Auditor thereon and agreed to submit them to the Governing Council for approval.”



INTERNATIONAL FUND
FOR AGRICULTURAL DEVELOPMENT

FINANCIAL STATEMENTS

for the years ended 31 December 2000 and 31 December 1999

- Appendix A - Statement of Activities and Changes in Net Assets**
 - Appendix A1 - Statement of Changes in Accumulated Surplus**
 - Appendix B - Balance Sheet**
 - Appendix C - Statement of Cash Flows**
 - Appendix D - Statement of Resources Available for Commitment**
 - Appendix E - Statement of Members' Contributions and Special Contributions**
 - Appendix F - Statement of Loans**
 - Appendix G - Summary of the Heavily-Indebted Poor Countries Debt Initiative**
 - Appendix H - Notes to the Financial Statements**
- Report of the External Auditor**

These Financial Statements have been prepared using the symbols of the International Organization for Standardization (ISO), Geneva, International Standard 4217 and SDR. The Notes to the Financial Statements (Appendix H) form an integral part of the Financial Statements.



Statement of Activities and Changes in Net Assets
For the years ended 31 December 2000 and 31 December 1999
 (Expressed in thousands of United States dollars)

Appendix A

	2000	1999 ^{1/}
Changes in Net Assets		
(Decrease)/Increase in value of net contributions	3 386	(28 701)
(Decrease)/Increase in complementary contributions	(244)	(3 200)
Special contributions received	0	5
Increase in approved grants net of cancellations	(31 443)	(29 459)
	(28 301)	(61 355)
Revenue		
Income from loans (Note 8)	44 288	43 531
Net (loss)/income from investments - IFAD (Note 3)	(46 966)	196 195
Total Revenue	(2 678)	239 726
Operating Expenses		
Staff salaries and benefits (Note 12)	(24 373)	(27 153)
Other operational and administrative costs	(7 749)	(8 420)
Cooperating institutions and consultants	(12 677)	(14 119)
Governing Council and Executive Board and other official meetings	(1 413)	(2 296)
Process Re-engineering Programme	(869)	0
Provision for After-Service Medical Benefits	(4 300)	(2 600)
Total Operating Expenses	(51 381)	(54 588)
Net Revenue less Operating Expenses before the Heavily-Indebted Poor Countries Debt Initiative (HIPC DI)	(54 059)	185 138
Total net charge for enhanced and initial HIPC DI (Notes 2 and 9)	(74 521)	(2 670)
Currency translation adjustment on net charge for HIPC DI	922	541
Net charge for HIPC DI commitments	(73 599)	(2 129)
Net Revenue less Operating Expenses after HIPC DI	(127 658)	183 009
Net foreign exchange rate movements (Note 2(d))	(265 188)	(122 654)
Transfer to Accumulated Surplus	(392 846)	60 355
(Decrease)/Increase in Net Assets	(421 147)	(1 000)
Net Assets at beginning of the Year	5 655 399	5 656 399
Net Assets at the end of the Year	5 234 252	5 655 399
Reconciliation of changes in net assets from operating activities		
<i>Loan disbursements</i>	285 144	283 995
<i>Loan repayments</i>	(132 858)	(133 219)
<i>Movement in loan impairment allowance</i>	(73 562)	607
	78 724	151 383
<i>Effect of foreign exchange movements on loans</i>	(145 672)	(68 922)
<i>Net (decrease)/increase in loans outstanding</i>	(66 948)	82 461
<i>Decrease in net amounts receivable from contributors</i>	(42 201)	(87 250)
<i>Net decrease in promissory notes from contributors</i>	(56 982)	(49 993)
<i>Change in cash and investments</i>	(252 488)	65 509
<i>Net decrease in other receivables and liabilities</i>	(2 528)	(11 727)
Changes in Net Assets	(421 147)	(1 000)

1/ Restated (see Appendix H, Note 2).



Statement of Changes in Accumulated Surplus
For the years ended 31 December 2000 and 31 December 1999 Restated
(Expressed in thousands of United States dollars)

Appendix A1

	Surplus from Operations	Foreign Exchange Effects 1/	Total Accumulated Surplus
Opening Balance at 1 January 1999 Restated (Note 2)	1 741 360	401 790	2 143 150
Net revenue less operating expenses before the effect of HIPC DI and foreign exchange rate movements	185 138		185 138
Net charge for HIPC DI commitments 2/	(2 670)	541	(2 129)
Net foreign exchange rate movements 1/		(122 654)	(122 654)
Accumulated Surplus at 31 December 1999 Restated	1 923 828	279 677	2 203 505
Net revenue less operating expenses before the effect of foreign exchange rate movements	(54 059)		(54 059)
Net charge for HIPC DI commitments 2/	(74 521)	922	(73 599)
Net foreign exchange rate movements 1/		(265 188)	(265 188)
Accumulated Surplus at 31 December 2000	1 795 248	15 411	1 810 659

1/ See Appendix H, Note 2(d).

2/ See Appendix H, Note 9.

Balance Sheet
31 December 2000 and 31 December 1999
 (Expressed in thousands of United States dollars)

Appendix B

Assets			Liabilities, Contributions, Accumulated Surplus and General Reserve		
	2000	1999 1/		2000	1999 1/
Cash in banks	60 149	68 261	Liabilities		
Investments (Notes 2(a) and 3)	2 062 942	2 284 212	Payable for investments purchased	99 275	69 878
Cash and Investments subject to restriction (Note 4)	32 630	26 121	Payables and accrued liabilities	39 778	41 691
Contributors' promissory notes (Note 6)	473 395	529 275	Undisbursed grants	65 500	61 386
Less : Provision (Note 5(h))	(106 082)	(104 980)	Amounts due to other funds	11 008	14 544
	367 313	424 295	Provision for After-Service Medical Benefits	8 456	3 603
Amounts receivable from contributors (Note 7)	141 776	183 977		224 017	191 102
Less : Provision (Note 5(h))	(89 555)	(89 555)	Contributions, accumulated surplus and General Reserve		
	52 221	94 422	IFAD Members' contributions (Appendix E and Note 5)	3 529 368	3 524 340
Other receivables			Less: Provision (Note 5(h))	(195 627)	(194 525)
Accrued income on loans	12 996	14 143		3 333 741	3 329 815
Accrued income on investments IFAD	18 935	28 014	IFAD special contributions	20 139	20 139
Accrued income on investments HIPC DI	90	36	IFAD complementary contributions	34 005	32 281
Receivable for investments sold	24 693	15 886	HIPC DI, Belgian Survival Fund (BSF) cash	(14 310)	(12 342)
Miscellaneous	4 603	5 758		19 695	19 939
Due from other funds	10 845	7 554			
	72 162	71 391	SPA contributors - First Phase (Appendix E and Note 5)	288 930	289 027
Loans (Note 8 and Appendix F)			Less: Provision (Note 5(h))	(10)	(10)
IFAD approved loans less cancellations and adjustment for movement in value of total SDR loans in terms of United States dollars (Appendix D, F and Note 8):			SPA contributors - Second Phase	62 534	62 977
2000 - USD 5 772 718			SPA special contributions	209	209
1999 - USD 5 809 215				351 663	352 203
Effective loans	5 125 497	5 267 760			
Less : Undisbursed balance of effective loans	(1 462 326)	(1 644 045)	Total Accumulated Surplus (Appendix A1)	1 810 659	2 203 505
Repayments	(1 016 113)	(985 297)			
Loans outstanding	2 647 058	2 638 418			
Less: Accumulated allowance for HIPC DI (Note 9)	(94 856)	(21 294)			
Net loans outstanding	2 552 202	2 617 124			
Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA) approved loans and adjustment for movement in value of total SDR loans in terms of United States dollars (Appendix F)			Less : IFAD grants (Notes 2(a) and 10)	(396 645)	(365 202)
2000 - USD 311 282			General Reserve (Note 11)	95 000	95 000
1999 - USD 345 213					
Effective loans	311 282	345 213	Net Assets	5 234 252	5 655 399
Less : Undisbursed balance of effective loans	(41 068)	(77 251)			
Repayments	(11 564)	(7 287)			
Loans outstanding	258 650	260 675			
	5 458 269	5 846 501		5 458 269	5 846 501

1/ Restated (see Appendix H, Note 2).



INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Statement of Cash Flows 1/
For the years ended 31 December 2000 and 31 December 1999
 (Expressed in thousands of United States dollars)

Appendix C

	2000	1999 2/
Cash flows from investing in development activities		
Loan disbursements	(285 144)	(283 995)
Loan principal repayments	132 858	133 219
Grant disbursements	(27 316)	(30 100)
Transfer from restricted funds for grant disbursements	228	0
Transfer of funds to HIPC DI	(6 670)	(8 000)
Net cash flows used by investing in development activities	(186 044)	(188 876)
Cash flows from financing activities		
Receipts from Member States		
- Promissory notes drawn down	76 255	78 636
- Third Replenishment contributions	100	1 086
- Fourth Replenishment contributions	21 263	20 913
- Special contributions	0	5
Net cash flows provided by financing activities	97 618	100 640
Cash flows from operating activities		
Interest income and net realized capital gains	99 390	82 031
Income from dividends	11 640	8 514
Net realized capital gains from equities	36 484	33 714
Other investment income/(loss)	30 962	(118 894)
Net purchase of equities	(316 660)	(246 762)
Interest received from loans	43 988	44 197
Cash (payments)/receipts from miscellaneous and other funds	(5 814)	8 455
Payments for administrative and investment expenses	(59 720)	(58 353)
Lifting of restriction for restricted currency	0	81
Transfer of after-service medical provision to restricted cash	(4 853)	(3 603)
Exchange gain on operations	260	376
Net cash flows used by operating activities	(164 323)	(250 244)
Effects of exchange rate movements on cash and investments excluding equities	(88 685)	(51 016)
Net (decrease) in unrestricted cash and cash equivalents	(341 434)	(389 496)
Unrestricted cash and cash equivalents at the beginning of year	1 582 104	1 971 600
Unrestricted cash and cash equivalents at the end of year	1 240 670	1 582 104
COMPOSED OF:		
Unrestricted cash	60 149	68 261
Unrestricted investments excluding equities	1 180 521	1 513 843
	1 240 670	1 582 104
Reconciliation of net income to net cash used by operating activities:		
Net revenue less operating expenses	(127 658)	183 009
Adjustment to reconcile net income to net cash provided by operations:		
- (decrease)/increase in accrued income on loans and investments	(10)	6 616
- (decrease)/increase in other receivables	(5 815)	89 880
- increase/(decrease) in other payables	25 792	(93 403)
- interest on restricted cash and investments	295	58
- unrealized capital gains on equities	185 874	(192 546)
- net charge from HIPC DI commitments	73 599	2 129
- HIPC DI commitments transferred to restricted	0	318
- net purchase of equities	(316 660)	(246 762)
- lifting of restriction for restricted currency	0	81
- exchange gain on operations	260	376
Net cash flows used by operating activities	(164 323)	(250 244)

1/ See Appendix H, Note 2(g).

2/ Restated (see Appendix H, Note 2).



INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Statement of Resources Available for Commitment 1/
31 December 2000 and 31 December 1999
 (Expressed in thousands of United States dollars)

Appendix D

		2000	1999 2/
Assets in freely-convertible currencies	Cash (Note 2(c))	60 149	68 261
	Investments	2 062 942	2 284 212
	Promissory Notes - Member States	448 126	510 845
	Norway advance contributions to the Fifth Replenishment specifically allowable (Note 5(f))	5 469	0
	Other receivables	72 072	71 355
			2 648 758
Less	Payables and accrued liabilities	150 061	124 711
	Undisbursed effective loans	1 503 394	1 721 296
	Approved loans signed but not yet effective	365 206	240 876
	Undisbursed grants	47 463	51 534
	General Reserve	95 000	95 000
		2 011 063	2 108 706
	Drawdowns on Initial Contribution promissory notes which have not been paid	43 075	43 075
	Drawdowns on First Replenishment promissory notes which have not been paid	41 370	41 370
	Drawdowns on Second Replenishment promissory notes which have not been paid	5 002	5 002
	Drawdowns on Third Replenishment promissory notes which have not been paid	27 694	15 523
	Promissory notes of Member States which have not yet been drawn down (see Note 2(c)(iii))	2 892	11 102
	Drawdowns on First Phase SPA promissory notes which have not been paid	10	10
	Promissory notes of Member States which have not yet been drawn down (SPA) (see Note 2(c)(iii))	0	0
		120 043	116 082
		2 281 167	2 349 499
Resources Available for Commitment		367 591	585 174
Less	Loans not yet signed	282 015	300 580
	Grants not yet signed	18 032	16 660
Net Resources Available for Commitment		67 544	267 934

1/ See Appendix H, Notes 2(c), 6 and 7.

2/ Restated (see Appendix H, Note 2).


INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Statement of Members' Contributions and Special Contributions 1/
31 December 2000 and 31 December 1999

Appendix E
Members - Category I

	Initial, First and Second Replenishment	Third Replenishment					
		Instruments Deposited 2/			Payments-USD Equivalent		
		USD Equivalent	Currency	Amount	USD Equivalent	Cash	Promissory Notes
Australia	20 350 516	AUD	10 534 275	6 882 659	5 537 330	1 345 329	6 882 659
Austria 3/	17 361 041	EUR	5 811 703	5 982 110	5 041 151	940 959	5 982 110
Belgium 3/	35 949 263	EUR	9 052 877	9 590 461	8 160 333	1 430 128	9 590 461
Canada	78 727 037	CAD	26 983 253	18 418 465	15 288 816	3 129 649	18 418 465
Denmark	25 967 094	DKK	67 577 314	9 440 140	7 974 093	1 466 047	9 440 140
Finland 3/	13 040 503	EUR	6 160 459	6 664 457	5 667 032	997 425	6 664 457
France 3/	89 292 984	EUR	30 999 587	32 049 848	20 021 390	12 028 458	32 049 848
Germany	151 806 996	SDR	28 841 959	38 808 919	33 569 604	5 239 315	38 808 919
Greece 4/		USD	600 000	600 000	600 000		600 000
Ireland 3/	2 556 419	EUR	654 349	820 849	820 849		820 849
Italy 3/	82 890 395	EUR	17 823 004	28 079 860	28 079 860		28 079 860
Japan	186 773 731	JPY	5 096 008 994	42 264 376	34 547 164	7 717 211	42 264 376
Luxembourg 3/	944 574	EUR	236 167	241 073	202 836	38 237	241 073
Netherlands 3/	119 344 690	EUR	19 384 984	19 832 901	16 694 324	3 138 577	19 832 901
New Zealand	4 593 709	NZD	2 102 069	1 264 829	1 264 829		1 264 829
Norway	63 693 719	NOK	110 723 560	16 842 864	16 842 864		16 842 864
Portugal 5/							
Spain	4 966 000	USD	1 435 159	1 435 159	1 435 159		1 435 159
Sweden	68 671 403	SEK	137 458 556	17 305 800	14 797 370	2 508 430	17 305 800
Switzerland	41 497 300	CHF	16 270 000	11 729 202	10 567 267	1 161 935	11 729 202
United Kingdom	64 269 514	GBP	11 305 433	17 843 836	14 908 468	2 935 368	17 843 836
United States	459 874 400	USD	82 800 000	82 800 000	82 800 000		82 800 000
Subtotal, Category I							
31 December 2000	1 532 571 288			368 897 808	324 820 739	44 077 068	368 897 807
31 December 1999	1 532 571 288			374 861 500	279 530 275	95 331 225	374 861 500

Members - Category II

	Initial, First and Second Replenishment*	Third Replenishment					
		Instruments Deposited 2/			Payments-USD Equivalent		
		USD Equivalent	Currency	Amount	USD Equivalent	Cash	Promissory Notes
Algeria	37 580 000	USD	12 000 000	12 000 000	6 996 000	5 004 000	12 000 000
Gabon 6/	2 801 000	USD					
Indonesia	10 059 000	USD	6 900 000	6 900 000	6 900 000		6 900 000
Iran 6/	124 750 000	USD	4 000 000	4 000 000	1 000 000		1 000 000
Iraq 6/	53 099 000	USD					
Kuwait	117 041 000	USD	14 000 000	14 000 000	11 564 000	2 436 000	14 000 000
Libyan Arab Jamahiriya 6/	36 000 000	USD	16 000 000	16 000 000		16 000 000	16 000 000
Nigeria 6/	76 459 000	USD	10 000 000	10 000 000	3 727 000	6 273 000	10 000 000
Qatar 6/	27 980 000	USD	1 000 000	1 000 000			
Saudi Arabia	333 778 000	USD	30 000 000	30 000 000	24 780 000	5 220 000	30 000 000
United Arab Emirates	47 180 000	USD	1 000 000	1 000 000	826 000	174 000	1 000 000
Venezuela	132 489 000	USD	28 000 000	28 000 000	13 699 880	14 300 120	28 000 000
Subtotal, Category II							
31 December 2000	999 216 000			122 900 000	69 492 880	49 407 120	118 900 000
31 December 1999	999 216 000			122 900 000	53 003 280	65 896 720	118 900 000

* A special contribution of USD 20 million paid by the Organization of the Petroleum Exporting Countries (OPEC) Fund for International Development towards the First Replenishment is associated with Category II Members' contributions to the First Replenishment of IFAD's Resources.


INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Statement of Members' Contributions and Special Contributions 1/
31 December 2000 and 31 December 1999

Appendix E
Members - Category III

	Initial, First and Second Replenishment		Third Replenishment				
	USD Equivalent	Instruments Deposited 2/		USD Equivalent	Payments-USD Equivalent		
		Currency	Amount		Cash	Promissory Notes	Total
Afghanistan	93						
Albania 7/							
Angola 8/		USD	20 000	20 000	20 000		20 000
Antigua and Barbuda 8/							
Argentina	1 900 016	USD	3 000 000	3 000 000	3 000 000		3 000 000
Armenia 9/							
Azerbaijan 10/							
Bangladesh	1 456 030	USD	500 000	500 000	413 000	87 000	500 000
Barbados	2 000	USD	1 000	1 000	1 000		1 000
Belize 11/		USD	100 333	100 333	100 333		100 333
Benin	30 000	USD	20 000	20 000	20 000		20 000
Bhutan	1 000	USD	25 000	25 000	25 000		25 000
Bolivia		USD	300 000	300 000	300 000		300 000
Bosnia and Herzegovina 10/							
Botswana	35 000	USD	50 000	50 000	50 000		50 000
Brazil 12/	13 504 305	USD	7 000 000	7 000 000	5 655 932	1 344 068	7 000 000
Burkina Faso	10 000	USD	20 000	20 000	20 000		20 000
Burundi	19 861	USD	50 000	50 000	50 000		50 000
Cambodia 7/							
Cameroon	204 886	USD	100 000	100 000	100 000		100 000
Cape Verde	1 000	USD	10 000	10 000	10 000		10 000
Central African Republic	10 725						
Chad							
Chile	50 000	USD	55 000	55 000	55 000		55 000
China	3 838 534	USD	8 000 000	8 000 000	6 608 000	1 392 000	8 000 000
Colombia	10 000	USD	60 000	60 000	60 000		60 000
Comoros 6/	29 666						
Congo	148 092						
Cook Islands 9/							
Costa Rica							
Côte d'Ivoire		USD	500 000	500 000	500 000		500 000
Croatia 10/							
Cuba	8 520						
Cyprus	62 000	USD	25 000	25 000	25 000		25 000
D.P.R. Korea 6/ 8/		USD	600 000	600 000		600 000	600 000
D.R. Congo	27 691						
Djibouti	6 000						
Dominica	14 987	USD	30 000	30 000	30 000		30 000
Dominican Republic	25 000						
Ecuador 6/	90 993	USD	300 000	300 000	300 000		300 000
Egypt	408 882	USD	5 000 000	5 000 000	2 915 000	2 085 000	5 000 000
El Salvador	40 000	USD	60 000	60 000	60 000		60 000
Equatorial Guinea							
Eritrea 10/							
Ethiopia	70 869	USD	30 000	30 000	30 000		30 000
Fiji	30 000	USD	100 000	100 000	100 000		100 000
Gambia, The	10 000	USD	10 000	10 000	10 000		10 000
Georgia 13/ 14/							
Ghana	116 487	USD	250 000	250 000	250 000		250 000
Greece 4/	550 000						
Grenada		USD	25 000	25 000	25 000		25 000
Guatemala		USD	250 000	250 000	250 000		250 000
Guinea	89 725	USD	50 000	50 000	50 000		50 000
Guinea-Bissau	10 000	USD	20 000	20 000	20 000		20 000
Guyana	60 000	USD	150 000	150 000	150 000		150 000
Haiti	37 118	USD	70 000	70 000	70 000		70 000
Honduras	191 500	USD	150 000	150 000	150 000		150 000
India	18 812 382	USD	8 000 000	8 000 000	6 616 587	1 383 413	8 000 000
Israel	150 000						
Jamaica	25 814	USD	150 000	150 000	150 000		150 000
Jordan	180 000	USD	75 000	75 000	75 000		75 000
Kenya	2 407 784	USD	971 293	971 293	971 293		971 293
Kyrgyzstan 9/							
Laos	2 213						
Lebanon	25 000						
Lesotho	89 397	USD	50 000	50 000	41 300	8 700	50 000
Liberia	39 000						
Madagascar	50 000	USD	50 000	50 000	50 000		50 000
Malawi	33 346	USD	40 000	40 000	40 000		40 000
Malaysia							
Maldives	1 000	USD	25 000	25 000	25 000		25 000
Mali	19 404	USD	11 146	11 146	11 146		11 146

(cont'd)

**Statement of Members' Contributions and Special Contributions 1/
31 December 2000 and 31 December 1999**

**Appendix E
Members - Category III (cont'd)**

	Initial, First and Second Replenishment		Third Replenishment				
	USD Equivalent	Currency	Instruments Deposited 2/		Payments-USD Equivalent		
			Amount	USD Equivalent	Cash	Promissory Notes	Total
Malta		USD	15 000	15 000	15 000		15 000
Mauritania 6/	25 000	USD	25 000	25 000		25 000	25 000
Mauritius	30 000	USD	55 000	55 000	55 000		55 000
Mexico	13 630 985	USD	7 500 000	7 500 000	7 500 000		7 500 000
Mongolia 10/							
Morocco	444 407	USD	3 000 000	3 000 000	3 000 000		3 000 000
Mozambique	390	USD	80 000	80 000	80 000		80 000
Myanmar 14/		USD	250 000	250 000	250 000		250 000
Namibia 15/		USD	20 000	20 000	20 000		20 000
Nepal	10 000	USD	50 000	50 000	50 000		50 000
Nicaragua	38 571						
Niger	154 872	USD	19 935	19 935	19 935		19 935
Oman	75 000	USD	75 000	75 000	75 000		75 000
Pakistan	2 933 776	USD	2 000 000	2 000 000	1 166 000	834 000	2 000 000
Panama	41 666	USD	25 000	25 000	25 000		25 000
Papua New Guinea	70 000	USD	100 000	100 000	100 000		100 000
Paraguay		USD	200 000	200 000	200 000		200 000
Peru	60 000	USD	100 000	100 000	100 000		100 000
Philippines	477 907	USD	500 000	500 000	500 000		500 000
Portugal 3/ 5/		EUR	752 306	852 359	852 359		852 359
Republic of Korea	739 032	USD	2 000 000	2 000 000	2 000 000		2 000 000
Republic of Moldova 16/							
Romania	453						
Rwanda	74 499	USD	50 000	50 000	50 000		50 000
Saint Christopher and Nevis 8/		USD	10 000	10 000	10 000		10 000
Saint Lucia	2 000	USD	10 000	10 000	10 000		10 000
Saint Vincent and the Grenadines 11/ 14/							
Samoa	10 000	USD	25 000	25 000	25 000		25 000
Sao Tome and Principe 6/		USD	10 000	10 000			
Senegal	20 650	USD	60 000	60 000	60 000		60 000
Seychelles	5 000	USD	10 000	10 000	10 000		10 000
Sierra Leone	36 726						
Solomon Islands	10 000						
Somalia	10 000						
South Africa 16/							
Sri Lanka	2 783 000	USD	1 000 000	1 000 000	1 000 000		1 000 000
Sudan	88 259	USD	200 000	200 000	200 000		200 000
Suriname 11/							
Swaziland	32 875	USD	20 000	20 000	20 000		20 000
Syria	266 656						
Tajikistan 10/							
Tanzania, United Republic of	39 385	USD	50 000	50 000	50 000		50 000
Thailand	300 000	USD	150 000	150 000	150 000		150 000
The Former Yugoslav Republic of Macedonia 10/							
Togo	35 443						
Tonga		USD	25 000	25 000	25 000		25 000
Trinidad and Tobago 8/							
Tunisia	359 806	USD	500 000	500 000	500 000		500 000
Turkey	36 365	USD	5 000 000	5 000 000	5 000 000		5 000 000
Uganda	50 000	USD	60 000	60 000	60 000		60 000
Uruguay		USD	200 000	200 000	200 000		200 000
Viet Nam	12	USD	3 000	3 000	3 000		3 000
Yemen	300 000	USD	300 000	300 000	300 000		300 000
Yugoslavia	108 170						
Zambia	207 262						
Zimbabwe	3 074	USD	1 600 000	1 600 000	1 600 000		1 600 000
Subtotal, Category III							
31 December 2000	68 447 561			62 454 066	54 684 885	7 759 181	62 444 066
31 December 1999	67 635 744			62 354 066	48 581 748	13 762 318	62 344 066
Total, Categories I, II and III							
31 December 2000	2 600 234 849			554 251 874	448 998 504	101 243 369	550 241 873
31 December 1999	2 599 423 032			560 115 566	381 115 303	174 990 263	556 105 566

**Statement of Members' Contributions and Special Contributions 1/
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Appendix E

Fourth Replenishment Contributions 17/						
	Instruments Deposited 2/			Payments - USD Equivalent		Total
	Currency	Amount	USD Equivalent	Cash	Promissory Notes	
Afghanistan						
Albania 7/	USD	10 000	10 000	10 000		10 000
Algeria	USD	250 000	250 000		250 000	250 000
Angola 8/	USD	40 000	40 000	40 000		40 000
Antigua and Barbuda 8/						
Argentina	USD	1 500 000	1 500 000	1 500 000		1 500 000
Armenia 9/						
Australia	AUD	6 426 708	3 560 400		3 560 400	3 560 400
Austria 3/	EUR	5 428 010	5 050 782		5 050 782	5 050 782
Azerbaijan 10/						
Bangladesh	USD	600 000	600 000		600 000	600 000
Barbados	USD	7 000	7 000	7 000		7 000
Belgium 3/	EUR	7 213 702	6 712 374		6 712 374	6 712 374
Belize 11/						
Benin	USD	25 000	25 000	25 000		25 000
Bhutan	USD	25 000	25 000	25 000		25 000
Bolivia	USD	50 000	50 000	50 000		50 000
Bosnia and Herzegovina 10/						
Botswana	USD	75 000	75 000	75 000		75 000
Brazil 12/	USD	2 662 042	2 662 042		2 662 042	2 662 042
	SDR	3 657 989	4 766 030		4 766 030	4 766 030
Burkina Faso	USD	30 000	30 000	30 000		30 000
Burundi						
Cambodia 7/						
Cameroon	USD	100 000	100 000	100 000		100 000
Canada	CAD	27 286 744	18 188 786		18 188 786	18 188 786
Cape Verde	USD	15 000	15 000	15 000		15 000
Central African Republic						
Chad						
Chile	USD	500 000	500 000			
China	USD	8 500 000	8 500 000		2 500 000	2 500 000
Colombia	USD	200 000	200 000	200 000		200 000
Comoros 6/						
Congo	USD	3 000	3 000	3 000		3 000
Cook Islands 9/	USD	5 000	5 000	5 000		5 000
Costa Rica						
Côte d'Ivoire	USD	1 003 707	1 003 707	1 003 707		1 003 707
Croatia 10/						
Cuba						
Cyprus	USD	25 000	25 000	25 000		25 000
D.P.R. Korea 6/ 8/	USD	100 000	100 000	100 000		100 000
D.R. Congo						
Denmark	DKK	160 000 000	19 948 861		19 948 861	19 948 861
Djibouti						
Dominica	USD	10 000	10 000	10 000		10 000
Dominican Republic						
Ecuador	USD	300 000	300 000	50 000		50 000
Egypt	USD	3 000 000	3 000 000		3 000 000	3 000 000
El Salvador						
Equatorial Guinea						
Eritrea 10/	USD	5 000	5 000	5 000		5 000
Ethiopia	USD	30 000	30 000	30 000		30 000
Fiji	USD	64 228	64 228	64 228		64 228
Finland 3/	EUR	2 793 487	2 599 349		2 599 349	2 599 349
France 3/	EUR	19 894 216	18 511 637		18 511 637	18 511 637
Gabon 6/						
Gambia, The	USD	10 086	10 086	10 086		10 086
Georgia 13/						
Germany 3/	EUR	28 346 022	26 376 072		26 376 072	26 376 072
Ghana						
Greece 4/	USD	600 000	600 000	600 000		600 000
Grenada						
Guatemala	USD	193 021	193 021	193 021		193 021
Guinea	USD	15 000	15 000	15 000		15 000
Guinea-Bissau						
Guyana	USD	269 921	269 921	269 921		269 921

(conf'd)

**Statement of Members' Contributions and Special Contributions 1/
31 December 2000 and 31 December 1999**

Appendix E

Fourth Replenishment Contributions 17/						
	Instruments Deposited 2/			Payments – USD Equivalent		Total
	Currency	Amount	USD Equivalent	Cash	Promissory Notes	
Haiti						
Honduras	USD	212 246	212 246	212 246		212 246
India	USD	9 000 000	9 000 000		9 000 000	9 000 000
Indonesia	USD	10 000 000	10 000 000	10 000 000		10 000 000
Iran 6/						
Iraq 6/						
Ireland 3/	EUR	653 067	712 083	712 083		712 083
Israel	USD	150 000	150 000	150 000		150 000
Italy 3/	EUR	23 311 013	21 753 005	21 753 005		21 753 005
Jamaica	USD	150 000	150 000	150 000		150 000
Japan	JPY	4 335 661 936	37 734 306		37 734 306	37 734 306
Jordan	USD	325 000	325 000	75 000	250 000	325 000
Kazakhstan 18/						
Kenya	USD	1 000 000	1 000 000			
Kuwait	USD	15 000 000	15 000 000		15 000 000	15 000 000
Kyrgyzstan 9/						
Laos	USD	50 000	50 000	50 000		50 000
Lebanon	USD	89 999	89 999	89 999		89 999
Lesotho	USD	50 000	50 000	50 000		50 000
Liberia						
Libyan Arab Jamahiriya 6/						
Luxembourg 3/	EUR	314 718	292 846		292 846	292 846
Madagascar	USD	8 357	8 357	8 357		8 357
Malawi						
Malaysia	USD	500 000	500 000	500 000		500 000
Maldives	USD	25 000	25 000		25 000	25 000
Mali	USD	10 969	10 969	10 969		10 969
Malta	USD	19 985	19 985	19 985		19 985
Mauritania 6/						
Mauritius	USD	80 000	80 000	80 000		80 000
Mexico	USD	3 000 000	3 000 000	2 000 000		2 000 000
Mongolia 10/						
Morocco	USD	2 000 000	2 000 000			
Mozambique	USD	80 000	80 000		80 000	80 000
Myanmar						
Namibia 15/	USD	300 000	300 000	300 000		300 000
Nepal	USD	50 000	50 000	50 000		50 000
Netherlands 3/	EUR	5 938 629	5 525 915		5 525 915	5 525 915
New Zealand	NZD	2 099 160	989 072	989 072		989 072
Nicaragua	USD	50 000	50 000			
Nigeria 6/	USD	5 000 000	5 000 000			
Norway	NOK	118 216 205	13 360 026		13 360 026	13 360 026
Oman						
Pakistan	USD	2 000 000	2 000 000		2 000 000	2 000 000
Panama	USD	33 299	33 299	33 299		33 299
Papua New Guinea						
Paraguay	USD	404 842	404 842	404 842		404 842
Peru	USD	200 000	200 000		200 000	200 000
Philippines	USD	486 946	486 946	486 946		486 946
Portugal 3/ 5/	EUR	583 256	542 721		542 721	542 721
Qatar 6/						
Republic of Korea	USD	2 500 000	2 500 000	2 500 000		2 500 000
Republic of Moldova 16/						
Romania	USD	50 000	50 000			
Rwanda	USD	35 000	35 000	35 000		35 000
Saint Christopher and Nevis 8/	USD	10 000	10 000	10 000		10 000
Saint Lucia	USD	10 000	10 000	10 000		10 000
Saint Vincent and the Grenadines 11/						
Samoa	USD	15 000	15 000	15 000		15 000
Sao Tome and Principe 6/						
Saudi Arabia	USD	3 000 000	3 000 000		3 000 000	3 000 000
Senegal	USD	11 301	11 301	11 301		11 301
Seychelles	USD	4 667	4 667	4 667		4 667
Sierra Leone						
Solomon Islands						

(cont'd)



INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Statements of Members' Contributions and Special Contributions 1/
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Appendix E

Fourth Replenishment Contributions 17/						
	Instruments Deposited 2/			Payments – USD Equivalent		
	Currency	Amount	USD Equivalent	Cash	Promissory Notes	Total
Somalia						
South Africa 16/	USD	500 000	500 000	500 000		500 000
Spain 3/	EUR	1 140 850	1 261 781	1 261 781		1 261 781
Sri Lanka	USD	1 100 000	1 100 000	1 100 000		1 100 000
Sudan	USD	198 656	198 656	198 656		198 656
Suriname 11/						
Swaziland	USD	59 454	59 454	59 454		59 454
Sweden	SEK	164 775 912	17 281 231		17 281 231	17 281 231
Switzerland	CHF	14 915 809	9 114 468		9 114 468	9 114 468
Syria	USD	150 000	150 000	150 000		150 000
Tajikistan 10/						
Tanzania, United Republic of	USD	25 000	25 000	25 000		25 000
Thailand						
The Former Yugoslav Republic of Macedonia 10/						
Togo						
Tonga	USD	30 000	30 000	30 000		30 000
Trinidad and Tobago 8/						
Tunisia	USD	500 000	500 000	500 000		500 000
Turkey	USD	5 000 000	5 000 000	5 000 000		5 000 000
Uganda	USD	45 000	45 000	45 000		45 000
United Arab Emirates	USD	1 000 000	1 000 000		1 000 000	1 000 000
United Kingdom	GBP	13 586 773	20 274 136		20 274 136	20 274 136
United States	USD	30 000 000	30 000 000	15 000 000		15 000 000
Uruguay	USD	25 000	25 000	25 000		25 000
Venezuela 6/	USD	4 000 000	4 000 000		4 000 000	4 000 000
Viet Nam	USD	100 000	100 000	100 000		100 000
Yemen	USD	188 914	188 914	188 914		188 914
Yugoslavia						
Zambia						
Zimbabwe	USD	500 000	500 000	500 000		500 000
Total contributions						
31 December 2000			354 113 521	69 856 539	253 406 982	323 263 521
31 December 1999			364 778 022	48 284 581	233 680 153	281 964 734

**Statement of Members' Contributions and Special Contributions 1/
31 December 2000 and 31 December 1999**

Appendix E

Advance Contributions to the Fifth Replenishment

	Instruments Deposited 2/			Payments - USD Equivalent		
	Currency	Amount	USD Equivalent	Cash	Promissory Notes	Total
Albania	USD	10 000	10 000	10 000		10 000
Belgium	EUR	8 924 167	8 303 972			
Benin	USD	25 000	25 000	25 000		25 000
Bhutan	USD	27 000	27 000	27 000		27 000
Cambodia	USD	210 000	210 000	69 985		69 985
Colombia	USD	100 000	100 000	100 000		100 000
Cyprus	USD	25 000	25 000			0
Grenada	USD	25 000	25 000	25 000		25 000
Honduras	USD	145 347	145 347	145 347		145 347
Ireland	USD	294 683	294 683	294 683		294 683
Madagascar	USD	4 166	4 166	4 166		4 166
Malaysia	USD	250 000	250 000			0
Norway	NOK	48 395 067	5 469 295		5 469 295	5 469 295
Panama	USD	33 200	33 200	33 200		33 200
Philippines	USD	300 000	300 000			0
Turkey	USD	5 000 000	5 000 000	517 382		517 382
Uganda	USD	45 000	45 000	45 000		45 000
Viet Nam	USD	500 000	500 000	100 000		100 000
31 December 2000			20 767 663	1 396 763	5 469 295	6 866 058
31 December 1999			24 900	24 900	0	24 900

Summary of Members' Contributions

	Value in USD '000	
	At 31.12.2000	At 31.12.99
Initial Contributions	1 017 308	1 017 308
First Replenishment	1 016 372	1 016 372
Second Replenishment	566 555	565 742
Third Replenishment	554 251	560 115
Fourth Replenishment	354 114	364 778
Advance contributions to the Fifth Replenishment	20 768	25
Total	3 529 368	3 524 340

Statement of Complementary Contributions

	Instruments Deposited 2/			Payments - USD Equivalent		
	Currency	Amount	USD Equivalent	Cash	Promissory Notes	Total
Fourth Replenishment						
Belgium 3/ 19/	EUR	21 014 132	19 827 448	1 427 045	18 400 403	19 827 448
Belgium	USD	128 500	128 500	128 500		128 500
Netherlands 3/ 20/	EUR	12 081 227	11 637 616	5 462 921		5 462 921
31 December 2000			31 593 564	7 018 466	18 400 403	25 418 869
31 December 1999			32 280 661	3 868 875	16 802 456	20 671 331
Fifth Replenishment						
Belgium	EUR	2 395 825	2 192 876	1 116 881	0	1 116 881
Belgium	USD		218 599			0
31 December 2000			2 411 475	1 116 881	0	1 116 881
31 December 1999			0	0	0	0
Total 31 December 2000			34 005 039	8 135 347	18 400 403	26 535 750
Total 31 December 1999			32 280 661	3 868 875	16 802 456	20 671 331

Special Contributions

	Initial, First and Second Replenishments USD Equivalent	Third Replenishment USD Equivalent	Fourth Replenishment USD Equivalent	Total USD Equivalent
OPEC Fund	20 000 000			20 000 000
Iceland 21/			10 000	10 000
Other	123 453	4 832	763	129 048
31 December 2000	20 123 453	4 832	10 763	20 139 048
31 December 1999	20 123 453	4 832	10 738	20 139 023

**Statement of Members' Contributions and Special Contributions 1/
31 December 2000 and 31 December 1999**
Special Programme for Africa - First Phase

Appendix E

Contributors	Instruments Deposited 2/			Payments-USD Equivalent		Total
	Currency	Amount	USD Equivalent	Cash	Promissory Notes	
Australia	AUD	500 000	388 871	388 871		388 871
Belgium 3/	EUR	31 234 584	34 974 559	34 974 559		34 974 559
Denmark	DKK	120 000 000	18 680 184	18 530 568	149 616	18 680 184
Djibouti	USD	1 000	1 000	1 000		1 000
European Union 3/	EUR	15 000 000	17 618 919	17 618 919		17 618 919
Finland 3/	EUR	9 960 089	12 212 496	12 119 817	92 679	12 212 496
France 3/	EUR	32 014 294	37 717 485	37 419 591	297 894	37 717 485
Germany 3/	EUR	14 827 465	17 360 511	17 360 511		17 360 511
Greece	USD	37 030	37 030	37 030		37 030
Guinea	USD	25 000	25 000	25 000		25 000
Ireland 3/	EUR	380 921	418 410	418 410		418 410
Italy 3/	EUR	15 493 707	23 254 457	23 254 457		23 254 457
	USD	10 000 000	10 000 000	10 000 000		10 000 000
Japan	JPY	2 553 450 000	21 488 338	21 266 105	222 233	21 488 338
Luxembourg 3/	EUR	247 894	266 099	266 099		266 099
Mauritania 6/	USD	25 000	25 000	15 172	9 828	25 000
Netherlands 3/	EUR	15 882 308	16 174 040	16 174 040		16 174 040
New Zealand	USD equiv. of					
	NZD	500 000	251 500	251 500		251 500
Niger 3/	EUR	15 245	17 730	17 730		17 730
Norway	NOK	138 000 000	19 759 121	19 759 121		19 759 121
Spain	USD	1 000 000	1 000 000	1 000 000		1 000 000
Sweden	SEK	131 700 000	19 067 345	18 929 222	138 123	19 067 345
Switzerland	CHF	25 000 000	17 048 554	17 048 554		17 048 554
United Kingdom	GBP	7 000 000	11 143 969	11 039 515	104 454	11 143 969
United States	USD	10 000 000	10 000 000	10 000 000		10 000 000
31 December 2000			288 930 618	287 915 791	1 014 827	288 930 618
31 December 1999			289 026 966	287 915 792	1 111 174	289 660 866

**Statement of Members' Contributions and Special Contributions 1/
31 December 2000 and 31 December 1999**
Special Programme for Africa - Second Phase

Contributors	Instruments Deposited 2/			Payments-USD Equivalent		Total
	Currency	Amount	USD Equivalent	Cash	Promissory Notes	
Belgium 3/	EUR	11 155 209	12 325 475	11 633 478	691 997	12 325 475
France 3/	EUR	3 811 225	4 114 771	2 948 019	1 166 752	4 114 771
Greece	USD	40 000	40 000	40 000		40 000
Ireland 3/	EUR	253 948	288 600	288 600		288 600
Italy 3/	EUR	5 132 368	6 785 447	6 785 447		6 785 447
Kuwait	USD	15 000 000	15 000 000	13 845 000	1 155 000	15 000 000
Netherlands 3/	EUR	8 848 714	9 533 084	9 533 084		9 533 084
Nigeria	USD	250 000	250 000	250 000		250 000
Sweden	SEK	25 000 000	4 196 391	4 196 391		4 196 391
United States	USD	10 000 000	10 000 000	10 000 000		10 000 000
31 December 2000			62 533 768	59 520 019	3 013 749	62 533 768
31 December 1999			62 976 913	51 360 056	11 616 857	62 976 913
Total First and Second Phase						
31 December 2000			351 464 386	347 435 810	4 028 576	351 464 386
31 December 1999			352 003 879	339 275 848	12 728 031	352 003 879

Special Contributions First Phase

31 December 2000		209 345	209 345	209 345
Special Contributions First Phase				
31 December 1999		209 345	209 345	209 345



Notes to Statement of Members' Contributions and Special Contributions

Appendix E

- 1/ Members' contributions have been translated on the basis of the following:
- (i) At year-end market rates of exchange for amounts paid in the form of promissory notes and not yet drawn down, and for non-convertible currencies not yet disbursed.
- (ii) At market rates of exchange as at date of receipt in respect of cash, including drawdown payments, and at market rates of exchange as at date of disbursement in the case of non-convertible currencies.
- 2/ In those cases where no instrument has been received, the amounts shown are the equivalent of the actual payments.
- 3/ These contributions were promised or paid in the constituent currencies of the euro prior to the introduction of the euro. For accounting convenience IFAD has converted all of these contributions into euro from the said constituent currencies at the following rates fixed by the European Central Bank:

	Currency	Euro
ECU	European Currency Unit	1
ATS	Austrian Shilling	13.7603
BEF	Belgian Franc	40.3399
LUF	Luxembourg Franc	40.3399
DEM	Deutsche Mark	1.95583
FRF	French Franc	6.55957
IEP	Irish Punt	0.787564
ITL	Italian Lire	1 936.27
NLG	Dutch Guilder	2.20371
FIM	Finnish Mark	5.94573
PTE	Portugal Escudos	200.482
ESP	Spanish Peseta	166.386

- 4/ The Twelfth Session of the Governing Council of IFAD adopted Resolution 53/XII, reclassifying Greece from membership of Category III to that of Category I, with effect from 24 January 1989.
- 5/ The Fourteenth Session of the Governing Council of IFAD adopted Resolution 65/XIV, reclassifying Portugal from membership of Category III to that of Category I, with effect from 29 May 1991.
- 6/ See Appendix H, Notes 6 and/or 7.
- 7/ The Fifteenth Session of the Governing Council adopted Resolution 68/XV on 21 January 1992, approving the application for membership of these countries.
- 8/ These Member States completed their membership formalities after the period of the First Replenishment.
- 9/ The Sixteenth Session of the Governing Council adopted Resolution 73/XVI on 22 January 1993, approving the application for membership of these countries.
- 10/ The Seventeenth Session of the Governing Council adopted Resolution 78/XVII on 26 January 1994, approving the application for membership of these countries.
- 11/ The Sixth Session of the Governing Council approved Resolution 23/VI on 13 December 1982, approving the application for membership of these countries.
- 12/ The Eighteenth Session of the Governing Council adopted Resolution 88/XVIII on 26 January 1995, deciding that the balance of the non-convertible currency contributions of Brazil to the First and Second Replenishments shall be converted into freely convertible currencies and transferred as its contribution to the Fourth Replenishment of IFAD's Resources. As agreed with the Government of Brazil, this has taken place upon effectiveness of the Fourth Replenishment.
- 13/ The Eighteenth Session of the Governing Council adopted Resolution 84/XVIII on 25 January 1995, approving the application for membership of this country.
- 14/ These Member States completed their membership formalities after the period of the Second Replenishment.
- 15/ The Fourteenth Session of the Governing Council adopted Resolution 64/XIV on 29 May 1991, approving the application for membership of this country.
- 16/ The Nineteenth Session of the Governing Council adopted Resolution 91/XIX on 17 January 1996, approving the application for membership of these countries.
- 17/ With the adoption of Resolution 86/XVIII on 26 January 1995 and its entry into force on 20 February 1997, and with the effectiveness of Resolution 87/XVIII on 29 August 1997, the Fourth Replenishment has become effective and consequently Categories have been replaced by Lists, while all Member States are now listed in alphabetical order.
- 18/ The Twenty-First Session of the Governing Council adopted Resolution 103/XXI on 11 February 1998, approving the application for membership of this country.
- 19/ The Twentieth Session of the Governing Council adopted Resolution 98/XX amending Resolutions 87/XVIII and 93/XIX, which listed, *inter alia*, the complementary contribution to the Fourth Replenishment by Belgium. The Governing Council has decided that this complementary contribution shall be used for the specific objective of, and in conformity with, the procedures of the Belgian Survival Fund.
- 20/ The Twentieth Session of the Governing Council adopted Resolution 98/XX amending Resolutions 87/XVIII and 93/XIX, which listed, *inter alia*, the complementary contribution to the Fourth Replenishment by The Netherlands.
- 21/ The Twenty-Fourth Session of the Governing Council adopted Resolution 120/XXIV on 20 February 2001, approving the application for membership of the Republic of Iceland.

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Statement of Loans 1/
31 December 2000 and 31 December 1999

Appendix F

Borrower or Guarantor	Approved	Loans not yet Effective	Effective Loans			Outstanding Loans
	Loans less Cancellations		Undisbursed Portion	Disbursed Portion	Repayments	
USD Loans 1/	USD	USD	USD	USD	USD	USD
Bangladesh	30 000 000	0	0	30 000 000	9 000 000	21 000 000
Cape Verde	2 003 243	0	0	2 003 243	575 920	1 427 323
Haiti	3 500 000	0	0	3 500 000	1 050 000	2 450 000
Nepal	11 538 262	0	0	11 538 262	3 474 500	8 063 762
Sri Lanka	12 000 000	0	0	12 000 000	3 900 000	8 100 000
Tanzania, United Republic of	9 488 457	0	0	9 488 457	2 965 150	6 523 307
Subtotal 1/	68 529 962	0	0	68 529 962	20 965 570	47 564 392
Exchange adjustment on USD Loans	2 846 607			2 846 607	3 196 390	(349 783)
Subtotal USD Loans 1/	71 376 569			71 376 569	24 161 960	47 214 609

SDR Loans 1/	SDR	SDR	SDR	SDR	SDR	SDR
Albania	24 050 000	9 600 000	4 170 785	10 279 215	0	10 279 215
Algeria	12 097 506	0	835 342	11 262 164	7 726 354	3 535 810
Angola	12 000 000	0	9 391 937	2 608 063	0	2 608 063
Argentina	32 350 000	12 800 000	9 356 479	10 193 521	5 642 588	4 550 933
Armenia	14 950 000	0	800 279	14 149 721	0	14 149 721
Azerbaijan	13 350 000	6 900 000	3 191 384	3 258 616	0	3 258 616
Bangladesh 2/	186 488 303	0	44 253 186	142 235 117	19 041 053	123 194 064
Belize	3 416 200	0	1 441 351	1 974 849	1 194 512	780 337
Benin	57 954 313	9 750 000	13 223 530	34 980 783	4 951 460	30 029 323
Bhutan	18 034 373	0	6 452 537	11 581 836	1 403 079	10 178 757
Bolivia	60 800 000	9 250 000	7 808 934	43 741 066	15 589 375	28 151 691
Bosnia and Herzegovina	14 447 401	0	101 428	14 345 973	0	14 345 973
Botswana	4 667 402	0	0	4 667 402	4 462 410	204 992
Brazil	44 200 000	0	28 383 991	15 816 009	4 790 000	11 026 009
Burkina Faso	44 233 564	8 550 000	18 017 076	17 666 488	2 802 941	14 863 547
Burundi 2/	34 546 617	0	18 213 610	16 333 007	3 922 100	12 410 907
Cambodia	17 500 000	7 850 000	7 555 608	2 094 392	0	2 094 392
Cameroon	33 918 924	8 050 000	7 139 453	18 729 471	8 657 385	10 072 086
Cape Verde	10 889 724	0	6 564 260	4 325 464	241 960	4 083 504
Central African Republic	24 577 923	0	1 971 629	22 606 294	1 285 656	21 320 638
Chad	8 250 000	8 250 000	0	0	0	0
Chile	5 500 000	0	1 773 126	3 726 874	1 099 998	2 626 876
China	305 643 291	44 800 000	36 128 977	224 714 314	37 085 250	187 629 064
Colombia	17 076 543	0	8 880 774	8 195 769	6 224 332	1 971 437
Comoros	4 186 867	0	700 000	3 486 867	291 135	3 195 732
Congo	5 658 900	0	0	5 658 900	3 420 245	2 238 655
Costa Rica	5 722 172	0	2 355 548	3 366 624	2 273 156	1 093 468
Côte d'Ivoire	33 356 164	8 300 000	13 405 361	11 650 803	7 879 514	3 771 289
Cuba	10 581 121	0	0	10 581 121	2 272 854	8 308 267
D.P.R. Korea	50 500 000	19 150 000	3 225 026	28 124 974	0	28 124 974
D.R. Congo	18 742 557	0	0	18 742 557	595 125	18 147 432
Djibouti	1 711 831	0	0	1 711 831	321 809	1 390 022
Dominica	4 246 460	0	934 118	3 312 342	1 123 500	2 188 842
Dominican Republic	24 722 864	0	8 945 834	15 777 030	9 022 892	6 754 138
Ecuador	26 861 535	0	12 773 184	14 088 351	5 839 976	8 248 375
Egypt	120 639 402	18 850 000	20 938 635	80 850 767	21 058 108	59 792 659
El Salvador	43 400 000	9 550 000	12 210 183	21 639 817	7 555 198	14 084 619
Equatorial Guinea	5 841 492	0	64 259	5 777 233	226 875	5 550 358
Eritrea	8 550 000	0	6 456 447	2 093 553	0	2 093 553
Ethiopia	82 697 048	0	33 283 744	49 413 304	7 482 806	41 930 498
Gabon	4 792 609	0	0	4 792 609	2 973 028	1 819 581
Gambia, The	20 608 432	0	7 517 322	13 091 110	1 570 557	11 520 553
Georgia	10 800 000	6 100 000	2 369 175	2 330 825	0	2 330 825
Ghana	61 040 184	8 200 000	19 520 644	33 319 540	3 347 135	29 972 405
Grenada	1 372 469	0	0	1 372 469	1 281 660	90 809
Guatemala	36 730 001	10 850 000	9 827 627	16 052 374	6 667 464	9 384 910
Guinea	55 580 302	10 200 000	17 023 833	28 356 469	2 444 940	25 911 529
Guinea-Bissau	5 117 134	0	0	5 117 134	731 796	4 385 338
Guyana	12 144 316	0	6 621 590	5 522 726	2 957 270	2 565 456
Haiti	34 651 777	10 950 000	4 284 282	19 417 495	3 656 950	15 760 545
Honduras	53 522 371	0	27 597 319	25 925 052	6 669 838	19 255 214
India	291 872 422	33 300 000	52 049 822	206 522 600	37 713 557	168 809 043
Indonesia 2/	141 584 267	17 500 000	25 852 460	98 231 807	46 462 265	51 769 542
Jamaica	9 983 480	0	0	9 983 480	8 636 831	1 346 649
Jordan	46 809 130	0	16 584 098	30 225 032	19 318 342	10 906 690
Kenya	27 020 492	8 450 000	559 450	18 011 042	2 144 245	15 866 797

(cont'd)

Statement of Loans
31 December 2000 and 31 December 1999

Appendix F

Borrower or Guarantor	Approved Loans less Cancellations	Loans not yet Effective	Effective Loans			Outstanding Loans
			Undisbursed Portion	Disbursed Portion	Repayments	
SDR Loans 1/	SDR	SDR	SDR	SDR	SDR	SDR
Kyrgyzstan	8 250 000	0	5 172 182	3 077 818	0	3 077 818
Laos	25 736 982	0	8 671 612	17 065 370	1 596 341	15 469 029
Lebanon	22 700 000	0	17 040 039	5 659 961	1 906 849	3 753 112
Lesotho	14 540 053	0	5 778 786	8 761 267	1 540 923	7 220 344
Liberia	10 179 774	0	0	10 179 774	0	10 179 774
Madagascar 2/	57 766 665	9 850 000	9 785 394	38 131 271	3 881 989	34 249 282
Malawi 2/	48 994 191	0	8 944 915	40 049 276	6 160 919	33 888 357
Maldives	5 880 830	0	1 163 683	4 717 147	421 587	4 295 560
Mali	61 313 528	0	28 943 966	32 369 562	3 906 798	28 462 764
Mauritania	17 528 634	0	271 219	17 257 415	2 312 031	14 945 384
Mauritius	13 418 617	0	7 741 722	5 676 895	4 698 310	978 585
Mexico	65 450 000	18 600 000	13 215 457	33 634 543	20 702 840	12 931 703
Mongolia	3 450 000	0	2 468 633	981 367	0	981 367
Morocco	75 935 261	14 100 000	22 621 830	39 213 431	21 878 724	17 334 707
Mozambique 2/	60 776 845	16 550 000	15 290 620	28 936 225	3 966 030	24 970 195
Namibia	4 200 000	0	1 053 056	3 146 944	280 000	2 866 944
Nepal	54 519 857	0	10 701 940	43 817 917	6 719 189	37 098 728
Nicaragua	45 550 000	10 150 000	5 587 513	29 812 487	10 957 500	18 854 987
Niger	30 975 121	8 800 000	6 564 430	15 610 691	1 493 780	14 116 911
Nigeria	49 668 010	16 700 000	735 556	32 232 454	11 740 360	20 492 094
Pakistan 2/	183 275 589	13 400 000	40 531 176	129 344 413	37 295 110	92 049 303
Panama	29 042 512	0	12 303 107	16 739 405	10 035 522	6 703 883
Papua New Guinea	9 129 388	0	1 435 064	7 694 324	4 875 089	2 819 235
Paraguay	25 506 488	0	6 274 486	19 232 002	12 073 620	7 158 382
Peru	57 778 851	0	18 369 604	39 409 247	21 490 760	17 918 487
Philippines	49 370 216	0	21 389 283	27 980 933	12 735 983	15 244 950
Republic of Moldova	5 800 000	0	5 492 995	307 005	0	307 005
Romania	12 400 000	0	10 400 723	1 999 277	0	1 999 277
Rwanda 2/	49 351 545	0	20 607 870	28 743 675	3 057 005	25 686 670
Saint Lucia	2 784 838	0	581 207	2 203 631	1 053 000	1 150 631
Saint Vincent and the Grenadines	1 650 000	0	165 955	1 484 045	385 000	1 099 045
Samoa	1 907 723	0	0	1 907 723	199 620	1 708 103
Sao Tome and Principe	5 832 694	0	480 849	5 351 845	419 074	4 932 771
Senegal	41 501 372	16 100 000	13 954 383	11 446 989	1 828 984	9 618 005
Seychelles	824 334	0	0	824 334	417 663	406 671
Sierra Leone	22 496 565	0	2 058 687	20 437 878	3 237 390	17 200 488
Solomon Islands	2 519 083	0	0	2 519 083	300 769	2 218 314
Somalia	17 709 534	0	0	17 709 534	410 968	17 298 566
Sri Lanka	61 133 020	0	16 583 573	44 549 447	5 909 198	38 640 249
Sudan 2/	78 199 504	13 300 000	7 424 912	57 474 592	9 812 370	47 662 222
Swaziland	10 622 340	0	2 438 031	8 184 309	5 299 100	2 885 209
Syria	56 997 374	0	37 836 038	19 161 336	9 778 540	9 382 796
Tanzania, United Republic of	69 243 945	12 800 000	19 260 868	37 183 077	1 059 832	36 123 245
The Former Yugoslav Republic of Macedonia	11 850 000	6 200 000	3 302 549	2 347 451	0	2 347 451
Thailand	25 312 653	0	0	25 312 653	19 477 873	5 834 780
Togo	27 774 604	0	10 833 536	16 941 068	1 520 745	15 420 323
Tonga	4 837 121	0	0	4 837 121	271 677	4 565 444
Tunisia	72 529 007	0	19 739 208	52 789 799	35 536 648	17 253 151
Turkey	42 135 253	0	13 281 744	28 853 509	20 549 630	8 303 879
Uganda 2/	91 357 298	23 300 000	24 180 693	43 876 605	7 935 732	35 940 873
Uruguay	19 350 000	10 800 000	288 444	8 261 556	2 565 000	5 696 556
Venezuela	37 150 000	9 750 000	11 009 102	16 390 898	12 595 163	3 795 735
Viet Nam	44 000 000	0	22 673 703	21 326 297	0	21 326 297
Yemen 2/	100 637 109	0	23 099 011	77 538 098	11 967 349	65 570 749
Zambia	69 583 673	9 150 000	16 486 505	43 947 168	7 296 803	36 650 365
Zimbabwe	49 158 137	0	21 941 135	27 217 002	13 243 935	13 973 067
Subtotal	4 329 576 021	496 750 000	1 116 932 631	2 715 893 390	720 858 846	1 995 034 544
Fund for Gaza and the West Bank 3/	5 800 000	0	5 421 218	378 782	0	378 782
Total	4 335 376 021	496 750 000	1 122 353 849	2 716 272 172	720 858 846	1 995 413 326
USD equivalent 1/	5 648 604 772	647 220 543	1 462 326 053	3 539 058 176	991 950 679	2 547 107 497
SDR loan repayments	52 736 480			52 736 480		52 736 480
Subtotal SDR loans 1/	5 701 341 252	647 220 543	1 462 326 053	3 591 794 656	991 950 679	2 599 843 977
31 December 2000 1/ USD	5 772 717 821	647 220 543	1 462 326 053	3 663 171 225	1 016 112 639	2 647 058 586
31 December 1999 USD	5 809 215 266	541 455 195	1 644 045 067	3 623 715 004	985 297 153	2 638 417 851

Statement of Loans 1/
31 December 2000 and 31 December 1999
Summary (in '000)

Appendix F

		Approved Loans			Value in USD					
		At 31.12.99	Loans Cancelled	Loans Fully Repaid	At 31.12.00	At 31.12.99	Loans Cancelled	Loans Fully Repaid	Movement in Exchange Rate SDR/USD	At 31.12.00
1978	USD	68 530			68 530	68 530				68 530
1979	SDR	218 700		(7 914)	210 786	300 168		(10 862)	(14 671)	274 635
1980	SDR	241 106		(39 227)	201 879	330 920		(53 840)	(14 050)	263 030
1981	SDR	253 842		(7 400)	246 442	348 401		(10 157)	(17 153)	321 091
1982	SDR	229 004	(610)	(17 482)	210 912	314 310	(837)	(23 994)	(14 679)	274 800
1983	SDR	209 285			209 285	287 246			(14 567)	272 679
1984	SDR	166 879	(470)		166 409	229 043	(647)		(11 581)	216 815
1985	SDR	94 338			94 338	129 480			(6 566)	122 914
1986	SDR	63 331			63 331	86 922			(4 409)	82 513
1987	SDR	94 454			94 454	129 638			(6 573)	123 065
1988	SDR	108 352	(7 246)		101 106	148 714	(9 945)		(7 037)	131 732
1989	SDR	128 426	(8 605)		119 821	176 266	(11 810)		(8 340)	156 116
1990	SDR	151 550	(11 614)		139 936	208 004	(15 940)		(9 740)	182 324
1991	SDR	165 430	(9 881)		155 549	227 053	(13 560)		(10 826)	202 667
1992	SDR	202 343	(15 756)		186 587	277 718	(21 625)		(12 987)	243 106
1993	SDR	198 651	(7 913)		190 738	272 649	(10 859)		(13 275)	248 515
1994	SDR	214 499	(5 949)		208 550	294 401	(8 921)		(13 758)	271 722
1995	SDR	251 896			251 896	345 730			(17 532)	328 198
1996	SDR	275 961	(8 854)		267 107	378 759	(12 151)		(18 590)	348 018
1997	SDR	288 250			288 250	395 626			(20 062)	375 564
1998	SDR	303 550	(3 850)		299 700	416 625	(5 284)		(20 859)	390 482
1999	SDR	316 050			316 050	433 782			(21 997)	411 785
2000	SDR				312 250					406 834
Total	SDR	4 175 897	(80 748)	(72 023)	4 335 376					
	USD	68 530			68 530					
Total	USD				5 799 985	(111 579)	(98 853)	(279 252)		5 717 135
Exchange adjustment on loans disbursed					9 230					55 583
	USD				5 809 215					5 772 718

Maturity Structure of Outstanding Loans
as at 31 December 2000

Periods	USD '000
1 January 2001 to 31 December 2001	169 077
1 January 2002 to 31 December 2002	127 426
1 January 2003 to 31 December 2003	116 188
1 January 2004 to 31 December 2004	109 946
1 January 2005 to 31 December 2005	106 556
1 January 2006 to 31 December 2010	521 343
1 January 2011 to 31 December 2015	406 223
1 January 2016 to 31 December 2020	337 016
1 January 2021 to 31 December 2025	299 907
1 January 2026 and thereafter	453 377
TOTAL	2 647 059

1/ Loans approved in 1978 were denominated in United States dollars and are repayable in the currencies in which withdrawals are made. From 1979, loans have been denominated in SDRs and, for purposes of presentation in the Balance Sheet, the accumulated amount of loans denominated in SDRs has been valued at the USD/SDR rate of 1/1.30291 at 31 December 2000. Since the loans were valued at 31 December 1999 at the then prevailing rate of 1/1.37251 there is a decrease in value in terms of United States dollars, attributable to the movement in exchange rates from 31 December 1999 to 31 December 2000 of USD 279 252 000 (from 1998 to 1999, there was a decrease in value in terms of USD 137 104 000).

2/ Repayment amounts include participation by The Netherlands and Norway in specific loans to these countries resulting in partial early repayment and corresponding increase in committable resources

3/ See Appendix H, Note 8(a).


INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Statement of Loans - Special Programme for Africa
31 December 2000 and 31 December 1999

Appendix F

Borrower or Guarantor	Loans less Cancellations	Loans not yet Effective	Effective Loans			Outstanding Loans
			Undisbursed Portion	Disbursed Portion	Repayments	
SDR Loans 1/	SDR	SDR	SDR	SDR	SDR	SDR
Angola	2 767 309		1 599 905	1 167 404	11 682	1 155 722
Burkina Faso	10 546 145		1 196 094	9 350 051	434 706	8 915 345
Burundi	5 050 000		1 551 477	3 498 523		3 498 523
Cape Verde	2 450 000		272 010	2 177 990		2 177 990
Chad	10 380 000		1 986 373	8 393 627		8 393 627
Comoros	2 450 000		1 210 936	1 239 064		1 239 064
Djibouti	113 718			113 718		113 718
Ethiopia	9 422 826		3 790 959	5 631 867	493 410	5 138 457
Gambia, The	2 638 448			2 638 448	65 960	2 572 488
Ghana	22 806 750		1 335 168	21 471 582	460 126	21 011 456
Guinea	10 761 866			10 761 866	557 448	10 204 418
Guinea-Bissau	2 126 406			2 126 406	79 740	2 046 666
Kenya	14 650 000		7 930 233	6 719 767		6 719 767
Lesotho	7 634 693		467 806	7 166 887	308 400	6 858 487
Madagascar	1 100 000		100 565	999 435		999 435
Malawi	6 350 000		476 210	5 873 790		5 873 790
Mali	10 193 236		0	10 193 236	770 490	9 422 746
Mauritania	19 087 176		1 811 013	17 276 163	714 990	16 561 173
Mozambique	8 291 210			8 291 210	725 480	7 565 730
Niger	12 339 566		1 476 551	10 863 015	773 015	10 090 000
Senegal	24 245 585		2 945 521	21 300 064	594 216	20 705 848
Sierra Leone	3 650 000		1 993 348	1 656 652		1 656 652
Sudan	26 018 419		1 308 239	24 710 180	1 105 680	23 604 500
Tanzania, United Republic of	6 789 416			6 789 416	254 610	6 534 806
Uganda	8 123 651			8 123 651	609 270	7 514 381
Zambia	8 610 311		68 035	8 542 276	600 278	7 941 998
Subtotal	238 596 731		31 520 443	207 076 288	8 559 501	198 516 787
USD Equivalent 1/	310 870 067		41 068 300	269 801 767	11 564 036	258 237 731
Exchange adjustment on SDR Loan Repayments	411 776			411 776		411 776
31 December 2000 USD	311 281 843		41 068 300	270 213 543	11 564 036	258 649 507
31 December 1999 USD	345 212 946		77 250 913	267 962 034	7 287 330	260 674 704

Summary (in '000)

	Approved Loans			Value in USD			
	At 31.12.99	Loans Cancelled	At 31.12.00	At 31.12.99	Loans Cancelled	Movement in Exchange Rate SDR/USD	At 31.12.00
1986	SDR 24 902		24 902	34 178		(1 732)	32 446
1987	SDR 41 292		41 292	56 674		(2 873)	53 801
1988	SDR 35 266	(496)	34 770	48 403	(681)	(2 420)	45 302
1989	SDR 28 240	(2 484)	25 756	38 760	(3 409)	(1 793)	33 558
1990	SDR 22 600	(4 200)	18 400	31 019	(5 765)	(1 281)	23 973
1991	SDR 22 400	(2 670)	19 730	30 744	(3 665)	(1 373)	25 706
1992	SDR 9 178	(82)	9 096	12 597	(113)	(633)	11 851
1993	SDR 43 450	(3 000)	40 450	59 635	(4 118)	(2 815)	52 702
1994	SDR 16 700		16 700	22 921		(1 162)	21 759
1995	SDR 7 500		7 500	10 293		(521)	9 772
Total	SDR 251 528	(12 932)	238 596	345 224	(17 751)	(16 603)	310 870

Maturity Structure of Outstanding Loans

as at 31 December 2000

Periods	USD '000
1 January 2001 to 31 December 2001	5 277
1 January 2002 to 31 December 2002	5 639
1 January 2003 to 31 December 2003	5 910
1 January 2004 to 31 December 2004	7 539
1 January 2005 to 31 December 2005	7 993
1 January 2006 to 31 December 2010	40 524
1 January 2011 to 31 December 2015	39 274
1 January 2016 to 31 December 2020	37 885
1 January 2021 to 31 December 2025	36 112
1 January 2026 and thereafter	72 497
TOTAL	258 650

1/ Loans have been denominated in SDR and, for purposes of presentation in the Balance Sheet, the accumulated amount has been valued at the USD/SDR rate of 1.30291/1 as at 31 December 2000. Since the loans were valued at 31 December 1999, at the then prevailing rate of 1.37251/1, there has been a decrease in value, in terms of United States dollars, attributable to the movement in exchange rates from 31 December 1999 to 31 December 2000 of USD 16 603 000 (from 1998 to 1999 there was a decrease in value in terms of USD 8 936 000).

**Summary of the Heavily-Indebted Poor Countries Debt Initiative**
(Expressed in thousands of United States dollars)

Appendix G

At 31 December 2000, the cumulative position of the debt relief provided and estimated to be provided, under both the enhanced and initial HIPC framework, is as follows:

	Debt Relief Provided to Date		Debt Relief to be Provided		Total		
	Principal	Interest	Principal ^{1/}	Interest	Principal	Interest	Total
Benin			6 134	2 001	6 134	2 001	8 135
Bolivia	2 762	724	4 733	1 685	7 495	2 409	9 904
Burkina Faso			7 335	2 233	7 335	2 233	9 568
Côte d'Ivoire			154		154	0	154
Guyana	632	185	91		723	185	908
Honduras			1 484	506	1 484	506	1 990
Mali			9 198	2 924	9 198	2 924	12 122
Mauritania			11 293	3 560	11 293	3 560	14 853
Mozambique	853	383	19 950	4 742	20 803	5 125	25 928
Senegal			2 832	1 172	2 832	1 172	4 004
Tanzania, United Republic of			17 628	5 736	17 628	5 736	23 364
Uganda	2 828	1 378	14 024	4 439	16 852	5 817	22 669
31 December 2000	7 075	2 670	94 856	28 998	101 931	31 668	133 599
							Less future interest debt relief not accrued
							28 998
							Total cumulative cost of debt relief at 31 December 2000
							104 601
31 December 1999	3 577	1 469	21 294	5 674	24 871	7 143	32 014
							Less future interest debt relief not accrued
							5 674
							Total cumulative cost of debt relief at 31 December 1999
							26 340

^{1/} See Appendix H, Note 9(c).



NOTES TO THE FINANCIAL STATEMENTS

Note 1: Brief Description of the Fund

The International Fund for Agricultural Development (IFAD or the Fund) is a specialized agency of the United Nations. IFAD formally came into existence on 30 November 1977, on which date the agreement for its establishment entered into force, and has its headquarters in Rome, Italy. The Fund and its operations are governed by the Agreement Establishing the International Fund for Agricultural Development.

The objective of the Fund is to mobilize additional resources to be made available on concessional terms for primarily financing projects specifically designed to improve food production systems, the nutritional level of the poorest populations in developing countries and the conditions of their lives.

Membership of the Fund is open to any state member of the United Nations or any of its specialized agencies, or of the International Atomic Energy Agency (IAEA). The Fund's resources come from Member contributions, special contributions from non-Member States and other sources, and funds derived or to be derived from operations.

Note 2: Summary of Significant Accounting and Related Policies**(a) Basis of Accounting**

The Financial Statements of the Fund are prepared in accordance with International Accounting Standards (IAS) and under the historical cost convention. The excess of revenue over expenses net of the effects of changes in foreign exchange rate movements is transferred to Accumulated Surplus. The format of the Statement of Activities and Changes in Net Assets has changed from 1998 onwards in order to present more comprehensively the activities of the Fund for the year and changes in its net assets. This new format underscores the Fund as a not-for-profit international financial institution established to mobilize resources for the purpose of providing concessional loans and grants for the implementation of projects in developing member countries. In prior years this data was included only in other appendices to the Financial Statements.

In 2000 the Fund changed its accounting policy for the Heavily-Indebted Poor Countries Debt Initiative (HIPC DI). This change has been made in order to present more clearly the underlying effect of the transactions. In accordance with IAS No. 8, this change has been applied retroactively and comparative information has been restated accordingly. The effects of changing this policy are summarized in Notes 2(h) and 9.

The Fund carries its investment securities at market value. Both realized and unrealized security gains and losses are included in income from investments as they arise. Both realized and unrealized exchange gains and losses are included in the account for movements in foreign exchange rates as they arise. All purchases and sales of investments are recognized on the trade date, which is the date that the Fund commits to purchase or sell the assets. Costs of purchase include transaction costs.

The Executive Board, at its Fifty-Fifth Session, decided that Phase I and Phase II of the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification be terminated on 31 December 1995 and integrated into IFAD's Article 4 Resources on 1 January 1996. The Financial Statements from 1996 onwards reflect this decision.

A contribution from a Member is recorded in full as receivable when the Member deposits its Instrument of Contribution.

Amounts receivable from Member States as contributions, loans and other receivables have been recorded at their full value except for the adoption from 1988 of the policy on overdue contributions described in subparagraph (b) below.

Technical assistance grants are recorded as a deduction from Contributions and Accumulated Surplus at the time of their approval.

Cost of equipment owned by the Fund is charged directly to expense when purchased.

Loans are recorded at cost. In instances where IFAD participates in debt relief under the HIPC DI framework, an allowance is established for the estimated impairment loss. A summary of the accounting policy and debt relief provided are included in Note 9 and Appendix G. Balances relating to the IFAD Trust Fund for HIPC DI have been consolidated in these Financial Statements as this is a special-purpose entity that is substantially controlled by IFAD and its activities are inherently linked to those of IFAD. All transactions, balances and unrealized gains/losses on transactions between the Funds are eliminated.

The preparation of the Financial Statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

(b) Provisions Against Overdue Members' Contributions

At the Thirty-Fourth Session of the Executive Board in September 1988, on the recommendation of the External Auditor, the Fund adopted a policy on provisions against overdue Members' contributions as follows:

- (i) Whenever a payment of an instalment against an Instrument of Contribution or a payment of a drawdown against a promissory note becomes overdue by 24 months, a provision will be made equal to the value of all overdue contribution payments or the value of all unpaid drawdowns on the promissory note(s) outstanding.
- (ii) Whenever a payment of an instalment against an Instrument of Contribution or a payment of a drawdown against a promissory note becomes overdue by 48 months or more, a provision will be made against the total value of the unpaid contributions of the Member or the total value of the promissory note(s) of that Member related to the particular funding period (i.e., a replenishment period).
- (iii) In the past, the date of issue of the External Auditor's opinion was used for determining the 24- and 48-month periods, with respect to a particular year's financial statements. With effect from 1996, the end of the financial year is used for determining the 24- and 48-month periods, as approved by the Fifty-Eighth Session of the Executive Board.
- (iv) The provision will be disclosed directly on the Balance Sheet itself.
- (v) Where exceptional circumstances arise which call for the establishment of a provision, without regard to the specific time periods established in paragraphs (i), (ii) and (iii) above, or which suggest that a provision is not appropriate even if those time periods have been exceeded, the President's opinion about such special circumstances and their impact on provisions shall be referred to the Executive Board. However, in any situation where time requirements would not allow prior consultation with the



Executive Board, the President shall be authorized to take action with regard to such special circumstances and shall inform the Board subsequently of such action as had been taken.

(c) Resources Available for Commitment

Resources available for commitment are those resources in freely-convertible currencies defined in Article 4, Section 1, of the Agreement Establishing IFAD, which have been contributed by Members and others or have been derived, or are to be derived, from operations or loan repayments by borrowers, to the extent that these resources have not already been committed for loans and grants or appropriated to the General Reserve.

At the Thirty-Fourth Session of the Executive Board, the Fund adopted a policy for determining resources available for commitment as follows:

- (i) Only actual payments in the form of cash or promissory notes will be included in committable resources. The value of Instruments of Contribution against which payment in the form of cash or promissory notes has not yet been made will be excluded from committable resources.
- (ii) For any Member which has paid in the form of promissory note(s) and on which payments are overdue for a period of three drawdown tranche calls (i.e., a period of approximately 18 months), the total amount of unpaid drawdown calls will be excluded from committable resources.
- (iii) For any Member which has paid in the form of promissory note(s) and on which payments are overdue for a period of 36 months or more, the entire value of all outstanding promissory notes, for the funding period in question and for any subsequent funding periods, will be excluded from committable resources.
- (iv) Where exceptional circumstances arise which call for exceptions to paragraphs (i) to (iii) above, the President's opinion about such exceptional circumstances and their impact upon the committable resources shall be referred to the Executive Board. However, in any situation where time requirements would not allow prior consultation with the Executive Board, the President shall be authorized to take action with regard to such exceptional circumstances and shall inform the Board subsequently of such action as had been taken.
- (v) Advance Commitment Authority (ACA). The Governing Council, at its Twentieth Session in February 1997, approved changes to Article 4, Section 1, of the Agreement Establishing IFAD and the Financial Regulations of IFAD (Regulation IV, paragraph 1) that permits IFAD's resources to include "...funds derived or to be derived from operations or otherwise accruing...". With this change to the Agreement Establishing IFAD, the Governing Council, in Resolution 100/XX, decided that "The Executive Board may, from time to time and having regard to the resources of IFAD available for commitment to loans and grants, including investment income net of administrative costs, employ an Advance Commitment Authority (ACA) in a prudent and cautious manner to compensate, year-by-year, for fluctuations in the resources available for commitment and to act as a reserve resource."

The Fund has not required the use of ACA to date, as regular resources have been sufficient to meet its loan and grant commitments.

A loan or grant is considered to be committed when a formal agreement is signed by the Fund and the respective borrower or grantee. The Fund's Executive Board reviews a statement of resources available for commitment at every Executive Board meeting to ensure that resources are available to meet loans presented for approval. The

Statement of Resources Available for Commitment, Appendix D, also indicates the specific amounts against which no commitments have been made.

From 1998 onwards amounts receivable from contributors are not included in the Statement of Resources Available for Commitment. The 1999 cash figures have been adjusted to reflect the 2000 presentation of advance cash payments to the Fifth Replenishment (see Note 4(e)) and the Provision for After-Service Medical Coverage (Note 12(c)).

(d) Translation and Conversion of Currencies

- (i) The Fund, as an international organization, conducts its operations in several currencies, and at the present time maintains its accounting records in United States dollars. The Financial Statements are expressed in United States dollars solely for the purpose of summarizing the financial position.
- (ii) The Fund has translated all items in its Balance Sheet, except its Members' contributions in currencies other than the United States dollar, at market rates of exchange at year-end.

The basis of translation for its Members' contributions is the following:

- (1) At year-end market rates of exchange for amounts receivable, for amounts paid in the form of promissory notes and not yet drawn down and for non-convertible currencies not yet disbursed.
- (2) At market rates of exchange as at date of receipt in respect of cash, including drawdown payments, and at market rates of exchange as at date of disbursement in the case of non-convertible currencies.
- (iii) Revenue and expense items in currencies other than the United States dollar have been recorded at appropriate rates of exchange during the period.
- (iv) The exchange adjustments arising from the translation of assets and liabilities in currencies other than the United States dollar are credited or charged to an exchange adjustment account and taken through the Statement of Activities and Changes in Net Assets, in line with the requirements of IAS No. 21 (revised).
- (v) The following rates of 1 unit of SDR in terms of USD as at 31 December were used:

<u>Year</u>	<u>SDR/USD</u>
1996	1.43796
1997	1.34925
1998	1.40803
1999	1.37251
2000	1.30291



The movement in the account for foreign exchange rates is explained as follows:

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
Opening balance at 1 January	279 677	401 790
Exchange movements for the year on:		
Cash and investments	(87 865)	(51 016)
Equities	(29 358)	(7 437)
Net receivables/payables	(142)	5 310
Loans and grants outstanding	(147 105)	(68 828)
Promissory Notes and Members' receivables	(29 099)	(30 786)
Members' contributions	28 121	29 727
Allowance for HIPC DI	922	541
Exchange gain on operations	260	376
Total movements in the year	<u>(264 266)</u>	<u>(122 113)</u>
Closing balance at 31 December	<u>15 411</u>	<u>279 677</u>

(e) Provisions

Provisions are established when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Employee entitlements to annual leave and long-service leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service separation entitlements as a result of services rendered by employees up to the balance sheet date.

(f) Fair Valuation of Financial Instruments

(i) Investments

All investment securities held by the Fund are considered to be available for sale and are reported at estimated fair value represented by the market value at the Balance Sheet date. The fair value of a financial instrument is defined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

IFAD carries its investments at market value and this represents the fair value of the investment portfolio.

(ii) Loans

Loans and grants are carried in the financial statements at cost, i.e. at the full-face amount of the borrower's outstanding obligations.

(g) Statement of Cash Flows

Appendix C, Statement of Cash Flows, has been prepared in accordance with IAS No. 7 (revised). For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks. They also include investments that are readily convertible at the Balance Sheet date. From 1999, equities and net investment payables have been excluded from readily convertible investments for cash flow purposes in accordance with the accounting standard on the basis of the increased materiality of these balances. The 1999 cash figures have been adjusted to reflect the 2000 presentation of advance cash payments to the Fifth Replenishment (see Note 4(e)) and the Provision for After-Service Medical Coverage (Note 12(c)).

(h) Accounting Changes

During 2000, the Fund changed its accounting policy related to the HIPC DI and restated its financial statements of prior years to apply retroactively the new policy. A summary of the new accounting policy and details of debt relief provided under the HIPC DI are presented in Note 9.

Under the new accounting policy, any debt relief granted in connection with the HIPC DI is recognized as a charge to income. This recognition occurs when the Executive Board of IFAD approves the debt relief on a country-by-country basis. Previously, such relief was not charged to income. Instead, the resources specifically committed by IFAD were treated as a transfer between reserves and the debt relief falling due was treated on a pay-as-you-go basis from the resources of the Trust Fund. The new accounting policy will better reflect the impact of the HIPC DI on IFAD's financial position and operating activities.

The net effect of this accounting change on income for 2000 and on income previously reported for 1999 is a reduction of USD 73.6 million and USD 2.1 million, respectively. This has also reduced the value of loans outstanding as at 31 December 2000 and 1999 by USD 94.9 million and USD 21.3 million, respectively. See further information in Note 9(b).

(i) Accounting and Reporting Developments

In March 1999, the International Accounting Standards Committee issued IAS No. 39, "Financial Instruments: Recognition and Measurement". This IAS becomes operative for financial statements beginning on or after 1 January 2001. Amongst the requirements of the IAS is that an organization should review its loan portfolio regularly for impairment (a possible reduction in value of an asset). An accounting provision for impairment loss should be made in the event of any uncertainty about the receipt of the full amount in accordance with the original repayment schedule. If the write-down is no longer required, the write-down may be reversed. In December 2000, the Executive Board approved the policy of establishing accounting provisions for overdue loan repayments with effect from 2001. The resulting net charge, including the cumulative effect from prior years, will be included in the income statement next year. Were the policy to have been applied already for the financial statements at 31 December 2000, it would have resulted in a charge to the income statement of some USD 74 698 000.

Note 3: Investments

(a) Basic Principles

The basic principles governing the investment of funds are contained in Regulation VIII of the Financial Regulations of IFAD, which were adopted by the Governing Council at its First Session, 13-16 December 1977, as follows:

"1. The President may place or invest cash funds, not needed immediately for the Fund's operations or administrative expenditures.

2. In investing the resources of the Fund, the President shall be guided by the paramount consideration of security and liquidity. Within these constraints the President shall seek the highest possible return in a non-speculative manner.

3. Income earned from investments may, *inter alia*, be used by the Fund to meet its administrative and other expenditures in accordance with the approved budget."

Investments are traded in active markets and are valued at market value at the close of business on 31 December by reference to quoted market prices.

(b) Investment Management

Since 1994, management of the major part of IFAD's investment portfolio has been entrusted to a number of external investment managers under investment guidelines provided by the Fund. At



31 December 2000, funds under external management amounted to USD 2 034.3 million (1999 - USD 2 260.8 million), representing some 96.9% (1999 - 96.1%) of total cash and investments.

(c) Risk Management

The Fund has addressed investment risks through the provisions of the investment guidelines and custodial arrangements:

(i) Credit Risk

The investment guidelines permit investments in time deposits with selected commercial banks, government and government-guaranteed bonds, bonds issued by multilateral development banks and exchange-traded derivatives of such securities. The eligibility of banks and bond issues is determined on the basis of ratings made by major credit rating agencies.

(ii) Market Risk

Exposure to market risk is adjusted by modifying the duration of the portfolio, depending on the outlook for securities prices. The upper limit for the duration (some 7.9 years) of the fixed-income portion of the portfolio is set at 2 years above the benchmark average. Options and futures are held for managing market risk rather than for trading purposes.

(iii) Currency Risk

The majority of the Fund's commitments are expressed in SDR. Consequently the overall assets of the Fund, including the investment portfolio and promissory notes, are maintained in such way as to ensure that, to the extent possible, commitments for undisbursed loans and grants denominated in SDR are matched by assets denominated in the currencies and in the ratios of the SDR valuation basket. Similarly, the General Reserve and commitments for grants denominated in United States dollars are matched by assets denominated in USD.

To increase returns, the Fund may invest in securities denominated in currencies other than those included in the SDR valuation basket, and enter into covered forward foreign exchange agreements in order to maintain the matching in currency terms of commitments denominated in SDR and United States dollars.

In November 1998, the Fund selected a currency overlay manager to control the currency risk in emerging markets. This activity commenced in 1999.

(iv) Custodial Risk

IFAD has entrusted the safekeeping of its investment assets to a major custodian bank. The custodian safeguards the funds and maintains separate accounts for each externally managed investment sub-portfolio, and settles the investment transactions initiated by external investment managers.

(d) Derivative Instruments

The Fund's investment guidelines authorize the use of the following types of derivative instruments:

(i) Futures

Futures are contracts for delayed delivery of securities or money market instruments in which the seller agrees to make delivery at a specified future date of a specified instrument at a specified price or yield. Initial margin requirements are met with cash or securities, and changes in the market price are recorded daily. Changes in the market value of open futures contracts are recognized as gains or losses in the period of the change and included in income from investments.

Relevant data for Futures contracts open at year-end are as follows:

	31 December	
	2000	1999
Number of contracts open:		
Buy	319	205
Sell	216	417
Market value of open contracts (USD '000)	47	48
Net unrealized losses of open contracts (USD '000)	47	309
Maturity date of contracts	March 2001	March 2000

(ii) Options

Options are contracts that allow the holder of the option to purchase or sell a financial instrument at a specified price within a specified period of time from or to the seller of the option, who then bears the risk of an unfavourable change in the price of the financial instrument underlying the option. IFAD only permits the use of investment in exchange traded options. The initial price of an option contract is equal to the premium paid by the purchaser and is significantly less than the contract or notional amount. IFAD does not write option contracts.

Relevant data for Options at year-end are as follows:

	31 December	
	2000	1999
Number of contracts open:		
Buy	120	74
Sell	65	0
Market value of open contracts gain/(loss) (USD '000)	54	(28)
Net unrealized gains of open contracts (USD '000)	28	49
Average maturity of open options	119 days	61 days

(iii) Covered Forwards

Covered forwards are agreements in which cash in one currency is converted into a different currency and simultaneously a forward exchange contract is executed providing for a future exchange of the two currencies in order to recover the currency converted. The unrealized market value loss on forward contracts at 31 December 2000 amounted to USD 2 146 000 (1999 - gain of USD 1 154 000). The maturity of forward contracts at 31 December 2000 ranged from two to 80 days (31 December 1999 - three to 75 days). Both realized and unrealized gains or losses are recognized in the period in which they occur and included in Income from Investments.

(e) Valuation

The Fund marks its investment portfolio to market. Both realized and unrealized gains and losses are included in Income from Investments.

(f) Composition of the Investment Portfolio by Instrument

At 31 December 2000, cash and investments, excluding restricted and non-convertible currencies, at market value amounted to USD 2 067 444 000 (1999 – USD 2 326 495 000), and comprise the following instruments:

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
Cash	60 149	68 261
Fixed income instruments	979 051	1 340 818
Unrealized market value (loss)/ gain on forward contracts	(2 145)	1 154
Time deposits and other Obligations of banks	203 515	171 853
Equities	882 420	770 369
Futures	47	48
Options	54	(30)
Total investments	2 062 942	2 284 212
Accrued income on investments	18 238	27 437
Accrued dividends	697	577
Receivables for investments sold	24 693	15 886
Payables for investments purchased	(99 275)	(69 878)
Total	<u>2 067 444</u>	<u>2 326 495</u>

(g) Composition of the Investment Portfolio by Currency

The currency composition of cash and investments at 31 December 2000 and 31 December 1999 was as follows:

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
Euro	460 903	461 240
Japanese Yen	308 916	406 337
Pound Sterling	252 680	302 605
United States Dollar	807 234	820 262
Others	<u>237 711</u>	<u>336 051</u>
Total	<u>2 067 444</u>	<u>2 326 495</u>

From 1999 the SDR basket incorporates the euro in place of the French franc and German mark.

(h) Composition of the Investment Portfolio by Maturity

The composition of cash and investments by maturity at 31 December 2000 and 31 December 1999 was as follows:

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
Due in one year or less	214 233	249 038
Due after one year through five years	199 960	398 425
Due from five to ten years	490 579	637 726
Due after ten years	280 252	270 937
No fixed maturity (equities)	882 420	770 369
Total	<u>2 067 444</u>	<u>2 326 498</u>

The average life to maturity of the fixed-income investments included in the investment portfolio at 31 December 2000 was 117 months (1999 – 108 months).

(Loss)/Income from Investments

The net loss from investments for the year ended 31 December 2000 amounted to USD 46 966 000 (1999 – income of USD 196 195 000). The components of Net Loss/Income from Investments are as follows:

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
Interest from fixed-income investments	67 952	89 396
Dividend income from equities	11 760	8 684
Net income from futures	1 384	1 240
Net income/(loss) from options	103	(95)
Cumulative realized capital gains (net)	8 482	3 538
Cumulative unrealized capital (losses)/gains (net)	(127 429)	100 450
Income from securities lending	309	539
Interest income from banks including restricted bank accounts	867	857
Investment management and custody fees	(11 012)	(9 510)
Other net investment expenses	(266)	(630)
IFAD net investment (loss)/income	(47 850)	194 469
Income from Supplementary Funds relating to prior years	884	1 726
Total	<u>(46 966)</u>	<u>196 195</u>

The average rate of return on the investment portfolio in 2000 was 2.2% negative (1999 - 8.7% positive).

Net investment income from HIPC DI amounts to USD 365 000 in 2000 (1999 - USD 318 000). In 2000 this income has been reclassified within total net HIPC DI debt relief as described in Note 9.

Note 4: Cash and Investments Subject to Restriction

(a) Currencies Not Freely Convertible

Cash and investments held by the Fund at 31 December 2000 in currencies which are not freely convertible amounted to USD 357 000 (1999 - USD 471 000) and USD 390 000 (1999 – USD 436 000), respectively.

In accordance with the Agreement Establishing IFAD, the amounts paid into the Fund by Category III Members in their respective currencies on account of their initial or additional contributions are subject to restriction in usage.

Such amounts may be used only:

- (i) after consultation with the Member concerned for the payment of administrative expenditures and other costs of the Fund in the territories of that Member; or
- (ii) with the consent of that Member, for the payment of goods and services produced in its territories and required for activities financed by the Fund in other states.

**(b) Other Amounts Restricted**

Included in "Cash and Investments Subject to Restriction" are the following amounts:

- (i) USD 8 757 000 (1999 - USD 8 055 000) being investments held in the Fund's name on behalf of the Credit Union of IFAD Employees.
- (ii) USD 2 239 000 (1999 - USD 6 474 000) being amounts held in the Fund's bank accounts on behalf of supplementary funds.

Amounts indicated above as "Other amounts restricted" are shown as "Amounts due to other funds" and excluded from the Statement of Cash Flows.

(c) Trust Fund Balances

These comprise USD 10 500 000 (1999 - USD 6 500 000) relating to amounts invested on behalf of the IFAD HIPC DI Trust Fund and USD 524 000 (1999 - USD 557 000) representing bank balances of the Trust Fund.

(d) Provision for After-Service Medical Coverage

This provision consists of USD 8.4 million (1999 - USD 3.6 million) relating to costs charged for this medical scheme (see Note 12(c)).

(e) Advance Contributions to the Fifth Replenishment

Amounts received in cash as advance payments for Fifth Replenishment contributions total USD 1.4 million (1999 - Nil).

Note 5: Members' Contributions

The contributions to the Fund by each Member when due are payable in freely-convertible currencies, except that Category III Members up to the end of the Third Replenishment period may pay contributions in their own currency whether or not it is freely convertible. Each contribution is to be made in cash or, to the extent that any part of the contribution is not needed immediately by the Fund in its operations, it may be paid in the form of non-negotiable, irrevocable, non-interest-bearing promissory notes or obligations payable on demand. The Fund, on the recommendation of its External Auditor, has considered it prudent to establish provisions against unpaid contributions (see Notes 2(b), 6 and 7).

(a) Initial Contributions

Initial contributions have been fully paid except as detailed in Notes 6 and 7.

(b) First Replenishment

First Replenishment contributions have been fully paid except as detailed in Note 6.

(c) Second Replenishment

Second Replenishment contributions have been fully paid except as detailed in Notes 6 and 7.

(d) Third Replenishment

Details of Third Replenishment contributions are shown in Appendix E. The drawdown calls made to date have been fully paid except as detailed in Notes 6 and 7.

(e) Fourth Replenishment

The Fund's Fourth Replenishment came into effect on 29 August 1997, when Instruments of Contributions were deposited amounting in aggregate to 50% of the respective contributions from Members as set forth in Column A-3 of Attachment A to Resolution 87/XVIII adopted by the Eighteenth Session of the Governing Council, as amended.

Details of Fourth Replenishment contributions are shown in Appendix E.

(f) Advance Contributions to the Fifth Replenishment

Details of Advance Contributions to the Fifth Replenishment are shown in Appendix E. As at the Balance Sheet date, the requirements for the effectiveness of the Fifth Replenishment had not yet been met, and consequently any contributions received to date have been excluded from the resources of the Fund unless specifically allowed by the individual donor, as shown in Appendix D.

(g) Special Programme for Africa

Details of contributions to the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification under the First Phase and Second Phase are shown in Appendix E.

(h) Provisions

In accordance with the policy referred to in Note 2(b), the Fund has established provisions as follows:

(i) IFAD	USD '000	
	2000	1999
Promissory notes of contributors	106 072	104 970
Amounts receivable from contributors	<u>89 555</u>	<u>89 555</u>
Total	<u>195 627</u>	<u>194 525</u>
(ii) Special Programme for Africa	USD '000	
	2000	1999
Promissory notes of contributors	<u>10</u>	<u>10</u>

Note 6: Promissory Notes of Contributors**(a) IFAD**

All promissory notes for Initial, First and Second Replenishment contributions have been encashed except those from the Member States noted below.

As at 31 December 2000, Third Replenishment contributions deposited in the form of promissory notes have been drawn down to the extent of 82.6% (31 December 1999 - 58.3%).

In accordance with the policy referred to in Note 2(b), the Fund has established a provision against promissory notes as indicated hereunder; and in accordance with the policy referred to in Note 2(c), the Fund has excluded amounts from resources available for commitment, as indicated hereunder.

Provisions Established

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
(i) Initial Contributions		
Iran	29 358	29 358
Iraq	<u>13 717</u>	<u>13 717</u>
	43 075	43 075
(ii) First Replenishment		
Iraq	31 099	31 099
Qatar	<u>10 271</u>	<u>10 271</u>
	41 370	41 370
(iii) Second Replenishment		
Mauritania	2	2
Qatar	<u>5 000</u>	<u>5 000</u>
	5 002	5 002
(iv) Third Replenishment		
D.P.R. Korea	600	350
Libyan Arab Jamahiriya	16 000	9 328
Mauritania	25	15
Nigeria	—	<u>5 830</u>
	<u>16 625</u>	<u>15 523</u>
Total	<u>106 072</u>	<u>104 970</u>

Excluded from Committable Resources - Convertible Currency

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
(i) Initial Contributions		
Iran	29 358	29 358
Iraq	<u>13 717</u>	<u>13 717</u>
	43 075	43 075
(ii) First Replenishment		
Iraq	31 099	31 099
Qatar	<u>10 271</u>	<u>10 271</u>
	41 370	41 370
(iii) Second Replenishment		
Mauritania	2	2
Qatar	<u>5 000</u>	<u>5 000</u>
	5 002	5 002
(iv) Third Replenishment		
D.P.R. Korea	600	600
Libyan Arab Jamahiriya	16 000	16 000
Mauritania	25	25
Nigeria	4 533	10 000
Venezuela	<u>9 428</u>	—
	<u>30 586</u>	<u>26 625</u>
Total	<u>120 033</u>	<u>116 072</u>

Subsequent to 31 December 1999, an amount of USD 2.0 million was received from Nigeria in payment of Third Replenishment drawdowns. Had this amount been received prior to 31 December 1999, the total provision against promissory notes would have been reduced to USD 99 140 000 and the total exclusion from committable resources to USD 106 072 000.

(b) Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification

In accordance with the policy referred to in Note 2(b), the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification has established a provision against promissory notes as indicated hereunder, and in accordance with the policy referred to in Note 2(c), the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification has excluded amounts from resources available for commitment, as indicated hereunder:

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
Provisions Established		
First Phase		
Mauritania	<u>10</u>	<u>10</u>
Total	<u>10</u>	<u>10</u>

Excluded from Committable Resources - Convertible Currency

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
First Phase		
Mauritania	<u>10</u>	<u>10</u>
Total	<u>10</u>	<u>10</u>

Note 7: Amounts Receivable from Contributors

Amounts receivable from Member States towards the Fund's Initial Contributions, First, Second, Third, Fourth and Fifth Replenishments (including Special and Complementary Contributions) totalled USD 52 221 000 (1999 - USD 94 422 000) after provisions.

In accordance with the policy referred to in Note 2(b), the Fund has established provisions against certain of these amounts as indicated hereunder.

In accordance with the policy referred to in Note 2(c), the Fund has excluded amounts from resources available for commitment as indicated hereunder and does not include amounts receivable related to the Fourth and Fifth Replenishments.

	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
Provisions Established		
(i) Initial Contributions		
Iran	83 167	83 167
Comoros	<u>7</u>	<u>7</u>
	83 174	83 174
(ii) Second Replenishment		
Gabon	371	371
Iraq	<u>2 000</u>	<u>2 000</u>
	2 371	2 371
(iii) Third Replenishment		
Iran	3 000	3 000
Qatar	1 000	1 000
Sao Tome and Principe	<u>10</u>	<u>10</u>
	<u>4 010</u>	<u>4 010</u>
Total	<u>89 555</u>	<u>89 555</u>

Subsequent to 31 December 2000, an amount of USD 0.6 million was received from Iran in payment of Third Replenishment pledges. Had this amount been received prior to 31 December 2000, the total provisions would have been reduced to USD 88 955 000.

Note 8: Loans

Fund loans are made only to developing states that are Members of the Fund or to intergovernmental organizations in which such Members participate. In the latter case, the Fund may require governmental or other guarantees. A loan becomes effective when IFAD has received a satisfactory legal opinion from the borrower and any other conditions precedent to effectiveness have been fulfilled. Upon effectiveness, disbursement may commence.

Loan repayments and related interest payments for loans approved during 1978 are required to be made in the currency in which the respective portion of the loan was advanced or as specified in the agreement. In respect of all Fund loans approved after 1 January 1979, loan repayments and interest are payable in the currency specified in the loan agreement in amounts equivalent to the SDR due, based on International Monetary Fund rates on the due dates. Loans approved will be disbursed to borrowers in accordance with the provisions of the loan agreement.

Originally, paragraph 31 of the Lending Policies and Criteria contained the lending terms: "The Fund will provide financial resources to its Member States for approved projects and programmes on the following terms and conditions: (i) special loans on highly concessional terms, carrying a service charge of 1 percent annually, and a maturity period of 50 years including a grace period of ten years; (ii) loans on intermediate terms with an interest rate of 4 percent annually and a maturity period of 20 years including a grace period of 5 years; and (iii) loans on ordinary terms, with an interest rate of 8 percent and a maturity period of 15 to 18 years including a grace period of 3 years."

Effective 28 January 1994, the Governing Council adopted Resolution 83/XVII, which approved the following changes to the Lending Policies and Criteria:

"32 (a) special loans on highly concessional terms shall be free of interest but bear a service charge of three fourths of one percent (0.75%) per annum and have a maturity period of forty (40) years, including a grace period of ten (10) years; (b) loans on intermediate terms shall have a rate of interest per annum equivalent to 50% of the variable reference interest rate, as determined annually by the Executive Board, and a maturity period of twenty (20) years, including a grace period of five (5) years; (c) loans on ordinary terms shall have a rate of interest per annum equivalent to 100% of the variable reference interest rate, as determined annually by the Executive Board, and a maturity period of fifteen (15) to eighteen (18) years, including a grace period of three (3) years; and (d) no commitment charges shall be levied on any loan."

No losses are expected against the overdue instalments from the following Member States: Cameroon, Cape Verde, Central African Republic, Congo, Cuba, D.R. Congo, Gabon, Guinea-Bissau, Liberia, Niger, Sierra Leone and Somalia; consequently no provision has been made.

Follow-up action is being taken with the respective governments to obtain settlement of these obligations.

On loans with overdue amounts in excess of ten months as at 31 December 2000, interest and service charges are recognized as income only when actually received.

Had these amounts been recognized as income, income from loans as reported in the Statement of Revenue and Expenses for the year 2000 would have been greater by USD 2 373 000 (1999 - USD 2 565 000). The corresponding figures relating to SPA were USD 285 000 (1999 - USD 288 000). The Member Countries concerned are shown below:

Borrowers in Non-Accrual Status - IFAD

	<u>USD '000</u>		<u>31 December 2000</u>	
	<u>Principal Outstanding</u>	<u>Principal Overdue</u>	<u>Income Not Accrued in 2000</u>	<u>In Arrears Since</u>
Cameroon	13 123	1 778	272	Sept. 1993
Cape Verde	14 845	72	49	Mar. 2000
Central African Republic	27 779	241	98	Jan. 1996
Congo	2 917	1 682	137	Apr. 1993
Cuba	10 825	10 175	438	Sept. 1989
D.R. Congo	23 645	4 630	239	Feb. 1993
Gabon	2 371	200	271	June 1998
Guinea-Bissau	5 714	430	60	Nov. 1995
Liberia	13 263	9 543	390	Nov. 1995
Niger	18 393	77	63	May 1989
Sierra Leone	22 411	755	128	Mar. 1998
Somalia	<u>22 538</u>	<u>7 149</u>	<u>228</u>	Jan. 1991
Total	<u>177 824</u>	<u>36 732</u>	<u>2 373</u>	

Borrowers in Non-Accrual Status - SPA

	<u>USD '000</u>		<u>31 December 2000</u>	
	<u>Principal Outstanding</u>	<u>Principal Overdue</u>	<u>Income Not Accrued in 2000</u>	<u>In Arrears Since</u>
Guinea-Bissau	2 667	178	27	Dec. 1995
Niger	13 146	1	136	Jan. 1996
Sierra Leone	<u>2 159</u>	<u>-</u>	<u>122</u>	Mar. 1998
Total	<u>17 972</u>	<u>179</u>	<u>285</u>	

The income from loans reported in the Statement of Revenue and Expenses for 2000 includes USD 1 305 000 (1999 - USD 528 000) in respect of income received relating to prior years.

Details of loans approved and disbursed and of loan repayments appear in Appendix F.

(a) Loans to Non-Member States

Fund for Gaza and the West Bank (FGWB)

At its Twenty-First Session in February 1998, the Governing Council adopted Resolution 107/XXI approving the establishment of a fund for the specific purpose of lending to the Gaza Strip and the West Bank. The application of Article 7, Section 1(b), of the Agreement Establishing IFAD was waived for this purpose. Financial assistance, including loans, is transferred to the FGWB by decision of the Executive Board and the repayment thereof, if applicable, is made directly to IFAD's regular resources.

Note 9: Heavily-Indebted Poor Countries Debt Initiative

(a) Background to HIPC DI

The Executive Board proposed IFAD's participation in the International Monetary Fund (IMF)/World Bank Debt Initiative for Heavily-Indebted Poor Countries (HIPC DI) as an element of IFAD's broader policy framework for managing operational partnerships with countries that have arrears with IFAD, or that face the risk of having arrears in the future because of their debt-service burden. The Governing Council, at its Twentieth Session held in February 1997, approved IFAD's participation in the HIPC DI with the adoption of Resolution 101/XX.

In February 2000, the Governing Council gave approval for IFAD to provide debt relief under the enhanced HIPC DI framework by forgiving a portion of an eligible country's debt service obligations as they become due. Amounts of debt service forgiven are expected to be reimbursed by IFAD's HIPC DI Trust Fund on a pay-as-you-go basis to the extent that resources are available in the Trust Fund.

The Governing Council delegated the Executive Board to approve, on a country-by-country basis, the debt relief required from IFAD as part of the overall HIPC DI effort to reduce a country's debt to a sustainable level.

The HIPC DI involves two basic sets of financial movements with regard to the international financial institution (IFI) participants:

- (i) agreed reduction of debt repayments from debtor countries to IFI creditors; and
- (ii) payments to the loan fund accounts of IFIs to compensate for the loss of financial inflows implicit in the reduction of debt repayments.

Each IFI will decide upon the most appropriate mechanism for the mobilization and management of resources to compensate loan fund accounts for the loss of inflows.

A Trust Fund for the HIPC DI was established with the adoption by the Governing Council of Resolution 105/XXI on 11 February 1998. This Trust Fund receives resources from within IFAD and from other sources, specifically dedicated as compensation to the loan fund account(s) for agreed reductions in loan repayments under the HIPC DI. IFAD has received an Instrument of Contribution of NLG 26 623 520 – EUR 12 081 000 (currently worth USD 11 638 000) from The Netherlands as a complementary contribution to the Fourth Replenishment in support of IFAD's participation in the HIPC DI and has received cash payments for NLG 12 000 000 – EUR 5 445 000 (USD 5 463 000).

As resolved at the Sixty-Fifth Session of the Executive Board in December 1998, a transfer has been made from IFAD's Accumulated Surplus to HIPC DI of USD 4 000 000 each in 1998, 1999 and 2000 out of the total approved amount of USD 16 000 000. In addition, and as resolved at the Sixty-Sixth Session of the Executive Board in April 1999, a transfer has been made from IFAD's resources to HIPC DI of USD 2 700 000 specifically to cover the expected shortfall in resources for debt relating to Mali. This transfer took place in 2000.

(b) Impact of HIPC DI

Upon approval of the individual debt relief by the Executive Board, the nominal value of the principal component of the estimated debt relief costs is recorded as a reduction of the disbursed and outstanding loans under Accumulated Allowance for HIPC DI, and as a charge to income. This estimate is subject to periodic revision. Significant judgements have been used in the computation of estimated nominal value of allowances for the HIPC DI.

The accumulated allowance for HIPC DI is reduced when debt relief is provided by the Trust Fund (see subparagraph (c) below).

For a summary of debt relief reimbursed since the start of the HIPC DI and of that expected in the future, please refer to Appendix G. Debt relief approved by the Executive Board to date excludes all amounts relating to the enhanced HIPC DI for The Gambia, Guinea, Guinea-Bissau, Madagascar, Malawi, Nicaragua, Niger, Rwanda, Sao Tome and Principe and Zambia. Debt relief for these countries at the end of 2000 was announced by the World Bank/International Monetary Fund. Authorization for IFAD's share of this debt relief is expected to be given by the Seventy-Second Session of the Executive Board in April 2001. At the time of preparation of the 2000 Financial Statements, it was not possible to estimate IFAD's share of the overall debt relief for these countries

Summary of Impact of Change in Accounting Policy (Note 2(a))

In accordance with the relevant accounting standard, the comparative Financial Statements for the year ended 31 December 1999 have been restated. A summary of the principal impact of the change is shown below for both 2000 and 1999:

	<u>USD '000</u>		
	<u>Prior to change</u>	<u>Impact of new policy</u>	<u>Current/ Restated (1999) balance</u>
2000			
Net transfer to			
Accumulated Surplus	364	(73 964)	(73 599)
Loans outstanding	2 905 708	(94 856)	2 810 852
Net assets	5 317 395	(84 438)	5 232 957
Accumulated Surplus at			
1 January 2000	2 214 506	(11 001)	2 203 505
1999			
Net transfer to			
Accumulated Surplus	62 802	(2 447)	60 355
Loans outstanding			
(IFAD)	2 638 418	(21 294)	2 617 124
Net assets	5 674 889	(19 490)	5 655 399
Accumulated Surplus at			
1 January 1999	2 155 704	(12 554)	2 143 150

Net investment income of USD 365 000 (1999 - USD 318 000) from the HIPC DI Trust Fund balances is included in the net charge for HIPC DI commitments in the Statement of Activities and Changes in Net Assets,

The total cumulative cost of debt relief derives from the following sources:

	<u>USD '000</u>
Contribution to HIPC DI approved in 1998	16 000
Contribution to HIPC DI approved in 1999	2 670
Shortfall between debt relief approved and funds available in 2000	74 522
Cumulative net exchange rate movements	<u>(909)</u>
Total cumulative cost of HIPC DI included in IFAD Accumulated Surplus	<u>92 283</u>
Resources provided by The Netherlands contribution	11 638
HIPC DI cumulative investment income	<u>683</u>
Total (see Appendix G)	<u>104 604</u>

In 1998 the net Trust Fund balances were included in net assets, but in 1999 and 2000 they were reclassified to contributions income and debt relief expense.

(c) Accumulated Allowance for HIPC DI

On approval of the Executive Board, the estimated nominal value of the principal component of the debt relief to be provided under the HIPC DI framework is included as a cost to the Accumulated Allowance for HIPC DI. This cost is offset by income receivable from the HIPC DI Trust Fund to the extent that resources are available. These amounts are net of any debt relief delivered to date. The balances for the years ended 31 December 2000 and 31 December 1999 restated are summarized below:



	USD '000	
	2000	1999
Balance at the beginning of year	21 294	21 901
Allowance for principal component of debt relief	77 983	2 973
Principal component of debt relief paid	(3 499)	(3 038)
Net exchange rate movements	(922)	(542)
Balance at the end of year	94 856	21 294

Note 10: Grants

The Agreement Establishing IFAD empowers the Fund to make grants to its Members, or to intergovernmental organizations in which its Members participate, on such terms as the Fund deems appropriate.

(a) Technical Assistance

The Fund provides grants for project preparation, loan components, agricultural research, Project Development Fund, Special Operations Facility and other related purposes. The cumulative amount of such grants disbursed up to 31 December 2000 was USD 297 576 000 (1999 - USD 270 227 000).

(b) Services to Member States

In prior years, Services to Member States included grants for project identification, special studies and monitoring and evaluation activities. These services have now been discontinued. The cumulative amount of such grants disbursed up to 31 December 2000 was USD 33 569 000 (1999 - USD 33 589 000).

Note 11: General Reserve

The Fourth Session of the Governing Council in 1980, recognizing the need to cover the Fund's potential over-commitment risk as a result of exchange rate fluctuations, and possible delinquencies in receipt of loan service payments or in the recovery of amounts due to the Fund from the investment of its liquid assets, established a General Reserve.

Transfers from Accumulated Surplus to the General Reserve are determined by the Executive Board after taking into account the Fund's financial position. The Executive Board, at its Fifty-Fourth Session in April 1995, decided to maintain the General Reserve unchanged at USD 95 million. The adequacy of the General Reserve will be reviewed periodically by the Executive Board. Withdrawals from the General Reserve will be subject to the prior approval of the Executive Board.

Note 12: Staff Costs and Retirement Benefits**(a) Staff Numbers**

The number of approved posts of the Fund, including the President and the Vice-President, at 31 December was as follows:

	2000	1999
Professional	134	134
General Service	158	158
	292	292

As in previous years, IFAD engaged the services of consultants, conference personnel and other temporary staff to enable it to meet its operational needs.

(b) Retirement Plan

IFAD is a member organization participating in the United Nations Joint Staff Pension Fund (UNJSPF) which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension Fund is a funded defined

benefit plan. The financial obligation of the organization to the UNJSPF consists of its mandated contribution at the rate established by the United Nations General Assembly together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. At the time of this report the United Nations General Assembly has not invoked this provision.

The actuarial method adopted is the Open Group Aggregate method. The cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of employees in accordance with the advice of actuaries who carry out a full valuation of the period plan every two years. The latest actuarial valuation was prepared as of 31 December 1999. IFAD makes contributions on behalf of its staff (currently payable by the participant and IFAD at 7.9% and 15.8%, respectively, of the staff member's pensionable remuneration) and would be liable for its share of the unfunded liability, if any. The total retirement plan contributions made in 2000 for staff amounted to USD 3 555 000 (1999 - USD 3 693 000). IFAD is not able to identify its share of the underlying financial position and performance of the plan with sufficient reliability for accounting purposes and hence has not recorded any assets in its accounts in this regard, nor included other related information such as the return on plan assets.

(c) After-Service Medical Coverage (ASMC)

IFAD participates in a multi-employer After-Service Medical Coverage scheme (ASMC) administered by the Food and Agriculture Organization (FAO) of the United Nations for staff receiving a United Nations pension and eligible former staff on a shared-cost basis. The ASMC operates on a pay-as-you-go basis, meeting annual costs out of annual budgets and staff contributions. In 1995, FAO engaged an actuary which determined that there was an unfunded accrued liability as of 1 January 1996 of USD 212.5 million, of which IFAD's share would be USD 10.8 million, based on the number of active staff. This valuation was calculated on a closed group basis using the projected unit credit method. The results to update the formal valuation to 31 December 1997 show the fair value of the ASMC's assets of USD 25 million and an increase in the deficit to USD 229.3 million, of which IFAD's share increased to USD 12.9 million. IAS No. 19 (revised), which is effective from 1 January 1999, requires that this liability is fully provided in the accounts of an organization within a limited time period. IFAD decided to make provision for its share by treating the deficit as an expense on a straight-line basis over a five-year period from the date of adoption, as permitted by the IAS.

The latest actuarial valuation was carried out as at 31 December 1999. The methodology used was the projected unit credit cost method with service prorate. The principal actuarial assumptions used were as follows: Discount rate - 6.5%; Expected Salary Increases - 3.5%; Medical Cost Increases - 5% and Inflation - 3%. The results determine IFAD's share of the unfunded liability as at 31 December 1999 to be some USD 19.7 million. This represents an increase of some USD 6.8 million from the estimated deficit at 31 December 1997. In accordance with the transitional requirements of IAS No. 19, the total cost should recognize the deficit that existed at the time of effectiveness of the new standard, i.e., on 1 January 1999. On the basis of prudence, IFAD has treated the increase in deficit as if existing at the time of the introduction of the new standard. In December 2000, the Executive Board authorized the amortization of the increase in initial liability of USD 6.8 million to be spread over the remaining period, i.e., 2000 - 2003, on a straight-line basis. Accordingly, the 2000 and 1999 financial statements include a provision constituted as follows as at 31 December:



	<u>USD '000</u>	
	<u>2000</u>	<u>1999</u>
One fifth of estimated initial deficit of USD 12.9 million	2.6	2.6
One fourth of integration to original deficit of USD 6.8 million	<u>1.7</u>	—
Total charge for unfunded deficit	<u>4.3</u>	<u>2.6</u>
Service costs charged in year	0.6	0.5
Total costs charged in year	<u>4.9</u>	<u>3.1</u>
Cumulative provision	<u>8.4</u>	<u>3.6</u>

From 1 January 1998, IFAD provides for the full annual current service cost of this medical coverage. In 2000, such cost included within staff salaries and benefits in the Financial Statements amounted to USD 553 000 (1999 - USD 452 000). In 1999 the liability for service costs was included in Payables and Accrued Liabilities; in 2000 these have been reclassified to Provision for After-Service Medical Benefits for reasons of clarity. In addition, in 2000 this liability has been included as restricted cash in the balance sheet. The related 1999 figures, which include the cash balances in the Statement of Cash Flows and Statement of Resources Available for Commitment, have also been restated accordingly.

It is intended that actuarial valuations will continue to be carried out at least every two years.

Note 13: Taxation

IFAD is a specialized agency of the United Nations and as such enjoys privileged tax exemption status under the Convention on Privileges and Immunities of Specialized United Nations Agencies 1947 and the Agreement between the Italian Republic and IFAD on IFAD's Permanent Headquarters. Taxation levied where this exemption has not yet been obtained is deducted directly from the related investment income.

Note 14: Euro

On 1 January 1999 the euro was introduced as a currency being legal tender in 11 European Union Member States, including Italy, and three other European states. Although this has little impact on the actual operations of IFAD, certain reported balances, such as relevant Members' contributions, were redenominated from the legacy currencies to the euro during 1999 (see Note 3 to Appendix E).

Note 15: Contingencies

(a) Contingent Liabilities

- (i) At 31 December 1999 the organization had contingent liabilities in respect of expenditures incurred in 1998 for exhibition structure costs and costs related to office fixtures, equipment and fittings for the new IFAD/2 offices operations. Expenditures amounting to ITL 1 079 million (now USD 519 000) are due to be reimbursed by the Italian Government although final clearance has not been given to date. Of these monies, some ITL 919 million (USD 442 000) were specifically discussed and approved by the Italian Permanent Representation. On the basis of prudence, the remaining ITL 161 million has been expensed in the 2000 financial statements.
- (ii) IFAD has contingent liabilities in respect of debt relief announced by the World Bank/International Monetary Fund for ten countries. The potential cost of loan principal relating to these countries is not estimable at present. See Note 9(b) for further details.

(b) Contingent Assets

The organization expects to receive some ITL 1 924 million (currently USD 925 000) in reimbursement of taxation deducted on investment income in prior years. These costs had been fully provided for in the accounts in previous years as the exact amount and year in which the reimbursement will be made was not certain. IFAD has recently submitted formal requests to the Italian Government to reclaim these taxes, although it is not expected that these monies will be received prior to 2001.

Note 16: Date of Authorization for Issue of Financial Statements

The financial statements are authorized for issue following the endorsement of the Session of the Executive Board in April 2001 on the recommendation of the Audit Committee in March 2001. The 2000 financial statements will be submitted to the Governing Council for approval at its next session in February 2002. The 1999 financial statements have been approved by the Governing Council at its Twenty-Fourth Session in February 2001.

DRAFT

The International Fund for Agricultural Development
Rome

We have audited the accompanying financial statements (Appendices A through H) of the International Fund for Agricultural Development (the Fund) as at and for the years ended 31 December 2000 and 1999. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the financial position of the International Fund for Agricultural Development at 31 December 2000 and 1999, and the results of its operations and its cash flows for the years then ended in accordance with International Accounting Standards.

Rome, 20 February 2001