



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

Rome, 25 - 26 April 2001

**REQUIREMENTS FOR THE FOURTEENTH DRAWDOWN FROM THE SPECIAL  
RESOURCES FOR SUB-SAHARAN AFRICA (SRS) IN 2001**

1. At its Fifty-Fifth Session in September 1995, the Executive Board decided that the first and second phases of the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (the Special Programme) should be terminated on 31 December 1995 and integrated into IFAD's Article 4 Resources on 1 January 1996 in accordance with paragraph 25(b) of the Basic Framework on Special Resources for Sub-Saharan Africa (SRS) (the Basic Framework), First and Second Phases. Notwithstanding paragraphs 23-27 of the Basic Framework, it was decided that promissory notes provided as payment of contributions to the SRS should be drawn down separately, and as required, from those paid under IFAD's Article 4 Resources, in accordance with paragraph 16 of the Basic Framework. The present document reflects the decision of the Fifty-Fifth Session of the Executive Board and, based on the estimates of loan and grant disbursements for 2001, proposes a level of drawdown of contributions in 2001.

2. Paragraph 16 of the Basic Framework provides for the drawdown of contributions. The provisions of the paragraph are as follows:

**"Drawdown of Contributions**

16. IFAD, on the authorization of the President of IFAD, shall draw down on the cash, promissory notes and other similar obligations paid for making all disbursements and providing a reasonable working balance for the SRS in an orderly manner, so as to meet such commitments of the SRS as may have been made, as follows:

- (a) where a limited Instrument of Contribution to the SRS is made under the provisions of sub-paragraph 4 (c) (ii) above, drawdowns on the cash, promissory notes and other similar obligations paid thereunder shall be as expeditious as possible;
- (b) except for those Instruments of Contribution to the SRS falling under the provisions of sub-paragraph (a) above, all other cash, promissory notes and other similar obligations paid to the SRS in freely convertible currencies shall be drawn down on an approximate



pro rata basis in such a manner that such drawdowns over a reasonable period of time shall be uniform in percentage as far as possible."

3. Under the authority provided in paragraph 16 of the Basic Framework, the President made the first drawdown in June 1987 based on the donors' desire to be as expeditious as possible, to be equitable to all donors and to cover the projected cash needs to cover all requirements.

4. Subsequently, further drawdowns took place in June 1988, in June 1989, in December 1990 and in December 1991.

5. Following the decision taken at its Forty-Sixth Session, the Executive Board, at its Forty-Eighth Session in April 1993, approved a sixth drawdown in the amount of USD 18.0 million. At the Fiftieth Session of the Executive Board in December 1993, a seventh drawdown in the amount of USD 39.4 million was approved. The eighth drawdown was approved by the Executive Board at its Fifty-Fourth Session in April 1995. The amount of USD 16.7 million was approved to meet loan and grant disbursements of the first phase and USD 5 million was approved for the second phase. The Fifty-Seventh Session of the Executive Board approved the ninth drawdown of USD 29.2 million from the first phase and USD 13.2 million from the second phase. At the Sixtieth Session of the Executive Board in April 1997, the tenth drawdown was approved in the amount of USD 33.7 million for the first phase and USD 8.8 million for the second phase. The eleventh drawdown in the amount of USD 9.0 million for the first phase and USD 14.1 million for the second phase was approved at the Sixty-Third Session of the Executive Board in April 1998. The twelfth drawdown in the amount of USD 12.2 million for the first phase and USD 2.7 million for the second phase was approved at the Sixty-Sixth Session of the Executive Board in April 1999. The thirteenth drawdown in the amount of USD 13.8 million for the second phase was approved at the Sixty-Ninth Session of the Executive Board in May 2000. No amount was called down at that time for the first phase.

6. Based on the current value of contributions as at 31 December 2000, the total drawdowns made to date against first phase contributions amount to a cumulative drawdown of 99.0% (USD 286.0 million). Total disbursements through 31 December 2000 amount to USD 289.7 million. Hence, there is a negative carry-forward of USD 3.7 million against first phase requirements as at 1 January 2001.

7. Projected 2001 requirements for loan and grant disbursements under the first phase (loans and grants approved before 1993) amount to USD 3.6 million. After taking account of the negative carry-forward of USD 3.7 million brought forward as at 1 January 2001, there will be a need to draw down USD 7.3 million from first phase contributions. However, the amount is limited to USD 2.9 million, representing the uncalled commitment for first phase contributions, based on the total current value of contributions as at 31 December 2000 of USD 288.9 million. Therefore, the amount of the drawdown being proposed will bring the cumulative amount drawn down to 100%.

8. Based on the current value of contributions as at 31 December 2000, the cumulative drawdown against second phase contributions amounts to USD 57.7 million. Cumulative disbursements against the second phase amount to USD 56.9 million. Therefore, as at 1 January 2001 there is a positive carry-forward of USD 0.8 million.

9. Projected 2001 requirements for disbursements under the second phase (loans and grants approved from 1993 onwards) amount to USD 8.6 million. After taking account of the positive carry-forward of USD 0.8 million brought forward as at 1 January 2001, there is a need to draw down USD 7.8 million from second phase contributions.

10. As of 31 December 2000, the United States dollar equivalent of contributions to the second phase of the Special Programme amount to USD 62.5 million. Therefore, the amount of the drawdown being proposed will be approximately 12.4% of those contributions. However, the amount is limited to



USD 4.8 million, representing the uncalled commitment for the second phase contributions, based on the total current value of contributions as at 31 December 2000 of USD 62.5 million. Therefore, the amount of the drawdown being proposed will bring the cumulative amount drawn down to 100%.

11. Due to the fact that changes in the exchange rates may have an impact on the United States dollar amounts of contributions to be drawn down — that is, between the rates used at the time of preparation of this document, based on those prevailing at 31 December 2000, and those to be used following the Executive Board's approval of the drawdown — the recommendation contains reference to the percentages to be drawn down rather than the United States dollar equivalent amounts.

12. For the information of Executive Board members, an estimate of future disbursements and anticipated drawdowns, based on exchange rates as at 31 December 2000, is shown in the Annex.

### **Recommendation**

13. Upon concluding its consideration of this item, the Executive Board may wish to adopt the following decision:

"The Executive Board approves a fourteenth drawdown from the Special Resources for Sub-Saharan Africa (SRS) of the remaining one percent of the first phase contributions and the remaining 7.8 per cent (7.8%) of the second phase contributions from the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification to meet loan and grant disbursements in 2001, and authorizes the President to proceed accordingly."



## ESTIMATES OF FUTURE DRAWDOWNS OF CONTRIBUTIONS<sup>1</sup>

	2000	2001
<b>First Phase</b>		
Cumulative percentage drawn down to 31 December <sup>2</sup>	99.0	100.0
Expected drawdowns (%)	0.0	1.0 <sup>3</sup>
Based on: (USD million)		
- Projected disbursements	3.9	2.9
- Current value of contributions	288.9	288.9

	2000	2001
<b>Second Phase</b>		
Cumulative percentage drawn down to 31 December <sup>2</sup>	92.3	100.0
Expected drawdowns (%)	25.2 <sup>4</sup>	7.7 <sup>3</sup>
Based on: (USD million)		
- Projected disbursements	9.6	8.6
- Current value of contributions	62.5	62.5

<sup>1</sup> These estimates are based on exchange rates as at 31 December 2000. Future movements in the exchange rates will impact, *inter alia*, on the projected disbursements, the value of contributions at the time of the drawdowns and the estimated percentage for the drawdown.

<sup>2</sup> Based on the current value of contributions as at 31 December 2000.

<sup>3</sup> Based on maximum unused commitment for contributions.

<sup>4</sup> Due to changes in exchange rates between the estimates and the rates prevailing at the time of the drawdowns, these figures have been revised from those reported in document EB 2000/69/R.8, which had estimated a drawdown of 22.0% of the then value of contributions of USD 63.0 million and would have brought the cumulative percentages of contributions drawn down to 89.1%.