



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Second Session
Rome, 25-26 April 2001

EXECUTIVE BOARD
MINUTES OF THE SEVENTY-SECOND SESSION

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MINUTES OF THE SEVENTY-SECOND SESSION OF THE EXECUTIVE BOARD

I. INTRODUCTION

1. The Seventy-Second Session of the Executive Board was held in Rome on 25-26 April 2001. A list of participants is attached as Annex I.
2. The Executive Board had before it the documents listed as Annex II.

II. OPENING OF THE SESSION

3. The President of IFAD, Mr Lennart Båge, opened the Seventy-Second Session of the Executive Board in his capacity as chairperson. After thanking Member States for the support given to him in electing him President by acclamation, he assured the Executive Board of his intention to collaborate closely with all Member States over the coming years. He stated that he was very committed to the international development target of halving poverty by the year 2015 and believed IFAD had an important and very specific role to play in this achievement. Given that IFAD is one of the forerunners in grass-roots rural development, the knowledge, experience and expertise the Fund has acquired in its years of operations should be put to use not only in its programmes but also by its development partners at the international and national level. As President of IFAD, he hoped to report in due course on IFAD's contribution to the target of halving poverty.
4. The recent publication of the *Rural Poverty Report 2001*, he continued, was a prime example of the Fund sharing its expertise and knowledge. The report had been widely launched, and he had personally presented it to the recent meeting of the Administrative Committee on Coordination held in Nairobi. Experts the world over had already provided very favourable comments and as President he intended to ensure the report's wide dissemination and to use this platform in policy dialogue, advocacy and outreach. He had already met with the leaders of the other two Rome-based food organizations and looked forward to close cooperation among the three institutions. He had also begun meeting with the Fund's staff both at a general meeting and on individual divisional levels and had started to share with them his ambition for the Fund – one of an effective, forceful organization with clear goals deriving from the mandate, from the goals set by the international community and, more specifically, from the goals in the Action Plan set out for IFAD by the Consultation to Review the Adequacy of the Resources Available to IFAD.
5. During these early days of his Presidency, he had been very much impressed by the commitment and competency of IFAD's staff – an excellent foundation on which to build. He would like to work on having more aggressive resource mobilization, a wider communications strategy and more collaboration with other institutions. Discussions had already begun as well on reviewing the Fund's investment policy and its internal planning process. He hoped that under his chairmanship and with the support of the Directors, the Executive Board would continue deliberating in the same efficient and time-effective manner as in the past and that the decisions they made as a collective body would strengthen IFAD and, most importantly, help poor people improve their lives. He could think of no cause more urgent and more rewarding than working for the betterment of the conditions of fellow human beings subject to deprivation and poverty, and he was most grateful for the opportunity to serve such a noble cause.
6. The Executive Board noted that, in accordance with the composition agreed upon at the time of the election of the Executive Board, the United Kingdom and The Netherlands exchanged seats on 1 January 2001 for the remainder of their current term of office and, as such, the United Kingdom was now the Member with The Netherlands being its Alternate.

III. DECISIONS OF THE EXECUTIVE BOARD

A. Adoption of the Agenda (Agenda Item 2)

7. The Executive Board considered the Provisional Agenda presented in document EB 2001/72/R.1/Rev.1 and, upon concluding its discussion of this item, adopted the Agenda contained in document EB 2001/72/R.1/Rev.2. The Agenda is attached as Annex III.

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

(a) Report on the Fifth Replenishment of IFAD's Resources

8. The Executive Board began its review of the Fifth Replenishment of IFAD's Resources (document EB 2001/72/R.2 and addendum) with an oral report on the completion of Governing Council Resolution 119/XXIV on 20 February 2001. Directors particularly welcomed management's intention, as a result of this completion, to examine the possibility of reverting back to the Fund's normal lending level for 2001. The Board also authorized the President of IFAD to accept instruments of contribution, from Member States, for which the schedule for payment and/or the number of instalments differ from the provisions contained in paragraph II.9(a)(i) and (ii) of Resolution 119/XXIV, provided that the variations in the schedule and/or instalments do not adversely affect the operational needs of IFAD.

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

9. The report on the Status of Contributions to the Fifth Replenishment of IFAD's Resources (document EB 2001/72/R.35) indicated that instruments of contribution deposited and payments made against pledges not supported by instruments of contribution amounted so far to 13% of total pledges. There was general agreement that efforts should be made to ensure that all Member States deposit their instruments of contribution as soon as possible in order to expedite the effectiveness of the Fifth Replenishment.

C. Financial Matters (Agenda Item 4)

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

10. The Executive Board reviewed the Status of Contributions to the Fourth Replenishment of IFAD's Resources (document EB 2001/72/R.3 and addendum), noting that the instruments of contribution deposited and payments in cash or promissory notes received against pledges not supported by instruments of contribution amounted to the equivalent of USD 414 million, or about 98.7% of total pledges.

(b) Investment Portfolio

- (i) Report on IFAD's Investment Portfolio for 2000
- (ii) Report on IFAD's Investment Portfolio for the First Quarter of 2001

11. The Executive Board reviewed the Report on IFAD's Investment Portfolio for 2000 (document EB 2001/72/R.4) and the Report on IFAD's Investment Portfolio for the First Quarter of 2001 (document EB 2001/72/R.5). Directors expressed concern over the negative rates of return obtained in both periods. While recognizing that such fluctuations should be expected when investing in bonds and equities, there was a general consensus that sufficient factors existed to warrant an overall review of the Fund's investment policies. These factors included timing – after four years of experience in diversification, and external conditions such as the perceived duration of the bear equities market.



12. Directors expressed appreciation for the informal seminar, which had clarified not only investment policies but also the various elements of the Fund's resources. Directors made many useful comments on the draft terms of reference of the expert group to be set up to review the Fund's investment policies, as well as the process by which this review should be undertaken. It was suggested that the group advise the Fund on its investment approach, indicating the type of eligible instruments, asset allocation and risk level, as well as socially responsible investment policies. The group would also review the adequacy of internal monitoring and assessment procedures. The President invited the Convenors of the three Lists to meet with him as soon as possible after the Session to finalize the expert group's terms of reference and the procedural aspects. In that way, the group could be established quickly with the aim of completing its work in time to allow recommendations to be made to the September session of the Board.

(c) Status Report on Principal and Interest Payments

13. The Executive Board reviewed the Status Report on Principal and Interest Payments (document EB 2001/72/R.6 and addendum) and noted that, apart from the arrears of four long-outstanding cases for which no settlement plan had been possible, arrears from other borrowing countries had shown an improvement. Directors requested that future reports indicate how the Fund was pursuing those four specific cases.

(d) Audited Financial Statements of IFAD for 2000

14. In accordance with Regulation XII-6 of the Financial Regulations of IFAD, the Executive Board considered the audited financial statements of IFAD for 2000 (document EB 2001/72/R.7), took note of the External Auditor's clean report, and agreed to submit the financial statements and the report to the Twenty-Fifth Session of the Governing Council for approval.

(e) Requirements for the Twenty-Second Drawdown of Members' Contributions in 2001

15. The Executive Board considered the information contained in document EB 2001/72/R.8 and, in accordance with Article 4 Section 5(c) of the Agreement Establishing IFAD and Regulation V of the Financial Regulations of IFAD, approved the drawdown of USD 292.1 million in May 2001 to meet loan and grant disbursements for 2001, which would be effected by drawing down from the contributions to the Third and Fourth Replenishments, and authorized the President to proceed accordingly. The Board noted that several countries were consulting with the Secretariat on separate arrangements for payment schedules during the transition period, as foreseen in the drawdown policy adopted in December 2000.

(f) Requirements for the Fourteenth Drawdown from the Special Resources for Sub-Saharan Africa (SRS) in 2001

16. The Executive Board considered the information contained in document EB 2001/72/R.9 and approved a fourteenth drawdown from the Special Resources for Sub-Saharan Africa (SRS) of the remaining one per cent (1%) 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 authorized the President to proceed accordingly.



(g) Provision of Advance Financing to the Global Mechanism of the United Nations Convention to Combat Desertification

17. The Executive Board considered the information contained in document EB 2001/72/R.10 and approved that the President of IFAD advance the amounts necessary to the Global Mechanism for its operations from IFAD's own resources, but not exceeding the annual budget that the Conference of the Parties has approved for the Global Mechanism. This on the condition that the Fund shall recover such amounts upon receipt of funds from the United Nations Convention to Combat Desertification (CCD) Secretariat.

(h) Report of the Audit Committee

18. The Executive Board endorsed the report on the seventy-second and seventy-third meetings of the Audit Committee (document EB 2001/72/R.11) presented by its chairperson and noted the committee's concerns regarding the proposal for a common services arrangement with FAO and WFP on investment. It also noted the committee's review of the internal audit function.

D. Progress Report on the Project Portfolio (Agenda Item 5)

19. Directors praised the Progress Report on the Project Portfolio (document EB 2001/72/R.12) as an excellent report that responded to the Executive Board's request for emphasis on performance analysis. The Board was assured that management was giving due priority to impact assessment, particularly within its Process Re-engineering Programme (PRP), and that the PRP's next report would provide information on IFAD's corporate position on impact management. The Board wished to record its concern over the World Bank's diminishing resource allocation to agricultural development, which has also resulted in decreased cofinancing of IFAD projects in Africa.

E. Annual Report on Evaluation (Agenda Item 6)

20. The Annual Report on Evaluation (document EB 2001/72/R.13) was welcomed by Directors. They encouraged management to continue using the new approach to evaluation, finding it a constructive strategy in improving the performance of IFAD operations and policies. Directors that had participated in the recent evaluation workshop and round-table discussions held in Syria commended the work undertaken and the excellent opportunity it had presented for a dialogue on policy. Such opportunities should be replicated to the extent possible.

F. Resources Available for Commitment at the Seventy-Second Session of the Executive Board and Resource Projections for 2001 (Agenda Item 7)

21. The Executive Board reviewed the Resources Available for Commitment (document EB 2001/72/R.14 and addendum) and approved the use of the Advance Commitment Authority (ACA) (document EB 2001/72/INF.5) for an amount of up to USD 70 million – as will be indicated in document EB 2001/72/R.14/Add.1/Rev.1. This will take account of the normal inflow of resources from loan repayments. At its September session, the Board will be provided with a comprehensive paper on the ACA, taking into account the issues raised at this Session.

G. IFAD's Participation in the Debt Initiative for Heavily Indebted Poor Countries (Agenda Item 8)

22. The Board reviewed the report on the status of the Debt Initiative for Heavily Indebted Poor Countries (HIPC) and IFAD's participation and considered the proposals for twelve countries (document EB 2001/72/R.15). In so doing, it also approved that the Guinea-Bissau and Niger arrears to IFAD be consolidated into their respective debt-relief proposals. In the light of the overall amounts



the Fund would now be foregoing as a result of its participation in the Debt Initiative and the consequent adverse effect on the Fund's lending programme, Member States contributing to the World Bank Trust Fund were asked to earmark part of their contributions for IFAD. Alternatively, countries could contribute directly to the IFAD Trust Fund for the HIPC Debt Initiative.

23. Upon concluding its review of the proposed contributions to the reduction of the debt to IFAD, the Executive Board adopted the following resolution presented in document EB 2001/72/R.15:

“RESOLVED: that the Fund, upon declaration at the completion points by the World Bank and the International Monetary Fund that Cameroon, The Gambia, Guinea, Guyana, Madagascar, Malawi, Nicaragua, Rwanda, Sao Tome and Principe, and Zambia have satisfied the conditions for debt relief under the Debt Initiative for Heavily Indebted Poor Countries, shall reduce the value of the debt to IFAD for Cameroon, The Gambia, Guinea, Guyana, Madagascar, Malawi, Nicaragua, Rwanda, Sao Tome and Principe, and Zambia **through the forgiving of their respective semi-annual debt-service obligations to IFAD (principal and service-charge/interest payments) as these fall due after the respective completion points** and up to the aggregate SDR net present values listed in Table 4.

For Guinea-Bissau and Niger, debt relief will be provided, upon the decision of the Executive Board and after finalization of the legal documentation, **through the integration of their arrears to IFAD into the debt relief and through forgiving their respective semi-annual debt-service obligations to IFAD (principal and service-charge/interest payments) as these fall due** and up to the aggregate SDR net present values listed in Table 4.

Table 4: Decisions Requested of the Executive Board

Country	NPV of Debt Relief Requested from the Board in SDR
Benin	
Bolivia	
Burkina Faso	
Cameroon	2 248 826
Côte d'Ivoire (original Initiative)	
Gambia, The	1 825 239
Guinea	5 109 475
Guinea-Bissau	3 072 889 (inclusive of arrears)
Guyana	1 519 881
Honduras	
Madagascar	6 445 794
Malawi	8 336 720
Mali	
Mauritania	
Mozambique	
Nicaragua	6 526 368
Niger	6 290 469 (inclusive of arrears)
Rwanda	8 553 229
Sao Tome and Principe	2 040 474
Senegal	
Tanzania, United Rep. of	
Uganda	
Zambia	13 729 323
Total	65 698 687



24. In accordance with the policy of incorporating arrears accrued before IFAD's decision point into the front-loaded debt-relief modality for countries, adopted by the Executive Board at its Seventy-First Session, the arrears to IFAD of Guinea-Bissau and Niger as of 25 April 2001 (the date of Executive Board approval of their debt reduction) will be integrated into their respective debt relief.

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

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

(a) **Africa I**

Sao Tome and Principe: Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme

26. The Executive Board considered the programme proposal contained in document EB 2001/72/R.16 with its addendum and supplement and adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Democratic Republic of Sao Tome and Principe in various currencies in an amount equivalent to seven million nine hundred and fifty thousand Special Drawing Rights (SDR 7 950 000) to mature on and prior to 15 November 2040 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

27. The loan for the Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme in Sao Tome and Principe was formulated and approved under the flexible lending mechanism.

(b) **Asia and the Pacific**

(i) *Nepal: President's Memorandum: Poverty Alleviation Project in Western Terai (Loan No. 452-NP) – Inclusion of New Project Component and Reallocation of Loan Proceeds*

28. The Executive Board considered the proposal contained in document EB 2001/72/R.18 and approved: (a) the inclusion of an ex-Kamaiya rehabilitation activities component in the Poverty Alleviation Project in Western Terai (Loan No. 452-NP) in line with the component description in Section IV and the cost breakdown outlined in the table of the document; and (b) a reallocation of funds, as appropriate, to provide for inclusion of the new component.

(ii) *Pakistan: North-West Frontier Province Barani Area Development Project*

29. The Executive Board considered the project proposal contained in document EB 2001/72/R.19 and adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Islamic Republic of Pakistan in various currencies in an amount equivalent to eleven million one hundred and fifty thousand Special Drawing Rights (SDR 11 150 000) to mature on and prior to 15 April 2041 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”



- (iii) *Sri Lanka/Indonesia: President's Memorandum: Proposal to Change IFAD Direct Supervision Responsibilities from the Matale Regional Economic Advancement Project (Loan No. 493-LK) in Sri Lanka to the Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas (Loan No. 539-ID) in Indonesia*

30. The Executive Board considered the proposal contained in document EB 2001/72/R.33 and agreed, in principle, to the substitution, in the portfolio of projects directly supervised by IFAD, of the Sri Lanka Matale Regional Economic Advancement Project (Loan No. 493-LK) by the Indonesia Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas (Loan No. 539-ID).

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

- (i) *Grenada: Rural Enterprise Project*

31. The Executive Board considered the project proposal contained in document EB 2001/72/R.20 and adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to Grenada in various currencies in an amount equivalent to three million two hundred and fifty thousand Special Drawing Rights (SDR 3 250 000) to mature on and prior to 1 June 2021 and to bear an interest rate of one half of the reference interest rate per annum as determined by the Fund annually, and to be upon such other terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

- (ii) *Haiti: President's Memorandum: Food Crops Intensification Project – Phase II (Loan No. 496-HT) – Extension of Loan Effectiveness*

32. The Executive Board considered the proposal contained in document EB 2001/72/R.34 and agreed to extend the effectiveness date of Loan No. 496-HT for the Food Crops Intensification Project – Phase II in the Republic of Haiti to 10 September 2001, to allow sufficient time for the conditions of loan effectiveness to be finalized.

- (iii) *Honduras: National Programme for Local Development (PRONADEL)*

33. The Executive Board considered the programme proposal contained in document EB 2001/72/R.21 with its supplement and adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Republic of Honduras in various currencies in an amount equivalent to fifteen million five hundred thousand Special Drawing Rights (SDR 15 500 000) to mature on and prior to 15 February 2041 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”



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

(i) *Armenia: Agricultural Services Project*

34. The Executive Board considered the project proposal contained in document EB 2001/72/R.22 with its addendum and supplement and adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to the Republic of Armenia in various currencies in an amount equivalent to twelve million three hundred and fifty thousand Special Drawing Rights (SDR 12 350 000) to mature on and prior to 15 April 2041 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

(ii) *Bosnia and Herzegovina: Livestock and Rural Finance Development Project*

35. The Executive Board considered the project proposal contained in document EB 2001/72/R.23 with its addendum and supplement and adopted the following resolution:

“RESOLVED: that the Fund shall make a loan to Bosnia and Herzegovina in various currencies in an amount equivalent to nine million five hundred and fifty thousand Special Drawing Rights (SDR 9 550 000) to mature on and prior to 15 April 2041 and to bear a service charge of three fourths of one per cent (0.75%) per annum, and to be upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

I. Grant Proposals for the Consideration of the Board (Agenda Item 10)

36. The Executive Board considered the following grant proposals:

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

37. The Executive Board considered the grant proposals contained in document EB 2001/72/R.24 concerning the financing, in part, to the four centres listed below and approved the grants by adopting the following resolutions:

“RESOLVED: that the Fund, in order to finance, in part, the Community-Based Fisheries Management (CBFM) Programme in South and Southeast Asia, shall make a grant not exceeding six hundred and fifty thousand United States dollars (USD 650 000) to the International Center for Living Aquatic Resources Management (ICLARM) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

FURTHER RESOLVED: that the Fund, in order to finance, in part, the Programme for Farmer-Participatory Improvement of Grain Legumes in Rainfed Asia, shall make a grant not exceeding one million three hundred thousand United States dollars (USD 1 300 000) to the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.



FURTHER RESOLVED: that the Fund, in order to finance, in part, the Programme for Enhancing the Contribution of Neglected and Underutilized Crops to Food Security and to the Incomes of the Rural Poor, shall make a grant not exceeding one million four hundred and ten thousand United States dollars (USD 1 410 000) to the International Plant Genetic Resources Institute (IPGRI) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

FURTHER RESOLVED: that the Fund, in order to finance, in part, the Programme for Developing Mechanisms to Reward the Upland Poor of Asia for the Environment Services They Provide, shall make a grant not exceeding one million four hundred thousand United States dollars (USD 1 400 000) to the International Centre for Research in Agroforestry (ICRAF) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

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

38. The Executive Board considered the grant proposals contained in documents EB 2001/72/R.25 concerning the financing, in part, to the two centres listed below and approved the grants by adopting the following resolutions:

“RESOLVED: that the Fund, in order to finance, in part, the Development of Sustainable Integrated Soil Fertility Management Strategies for Smallholder Farms in Sub-Saharan Africa, shall make a grant not exceeding one million four hundred and thirty-five thousand United States dollars (USD 1 435 000) to the International Fertilizer Development Centre (IFDC) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

FURTHER RESOLVED: that the Fund, in order to finance, in part, the Action-Research Programme on the Identification and Testing of Methodologies and Approaches for Effective Introduction of Participatory Irrigation Management (PIM), shall make a grant not exceeding one million six hundred thousand United States dollars (USD 1 600 000) to the International Centre for Advanced Mediterranean Agronomic Studies (CIHEAM) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

(c) **Technical Assistance Grant for the Benefit of the Caribbean Regional Unit for Technical Assistance (CARUTA) for Dominica, Grenada, Guyana, Jamaica, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago**

39. The Executive Board considered the information contained in document EB 2001/72/R.26 and approved the grant by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, the Caribbean Regional Unit for Technical Assistance (CARUTA) for three years commencing June 2001, shall make a grant not exceeding seven hundred and fifty three thousand United States dollars (USD 753 000) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”



(d) **Technical Assistance Grant to the Regional Unit for Technical Assistance (RUTA) for the Rural Financial Services Support Programme (SERFIRURAL) in Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama**

40. The Executive Board considered the information contained in document EB 2001/72/R.27 and approved the grant by adopting the following resolution:

“RESOLVED: that the Fund, in order to finance, in part, the Rural Financial Services Support Programme (SERFIRURAL) in Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama, for three years, commencing in July 2001, shall make a grant not exceeding seven hundred and fifty thousand United States dollars (USD 750 000) to the Regional Unit for Technical Assistance (RUTA) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.”

J. Planned Project Activities and Interim Procedure for Review of Country Strategic Opportunities Papers (COSOPs) and Projects (Agenda Item 11)

41. The Executive Board reviewed the Interim Procedure for Review of Country Strategic Opportunities Papers (COSOPs) and Projects (document EB 2001/72/R.36), together with the documents on Planned Project Activities 2000-2001 (EB 2001/72/R.28 and addenda).

42. During the discussion, general comments and some concerns were raised on the usefulness of the COSOP as a strategic tool and on the magnitude of its scope. It was agreed, however, that the Fund needed a framework for medium-term planning and that these papers provide it with the best opportunity. Accordingly, the Board agreed to allow a learning process in 2001, not only for finalizing the structure of COSOPs but also for the manner in which they would be reviewed together with project proposals. For the remaining sessions in the year 2001, it was decided that the Executive Board would review two COSOPs per session, which the Board itself would identify at its previous session. In future the Board would also review all project proposals together – in the expeditious manner that was used at this Session. For the Seventy-Third Session of the Board, it was decided to review the COSOPs for India and Mozambique, together with their respective project proposals.

K. Country Strategic Opportunities Paper for the Federal Republic of Nigeria (Agenda Item 12)

43. The Executive Board reviewed, for the first time, a Country Strategic Opportunities Paper, specifically the COSOP for the Federal Republic of Nigeria (document EB 2001/72/R.29), which had been formulated along the guidelines used for the prototype COSOP presented to and approved in a seminar held for Directors in September 2000. There was a rich exchange of ideas and opinions on IFAD’s strategy in Nigeria, with comments being made on various aspects of the COSOP.

44. The main areas discussed concerned the need to: articulate policies that support and add value to IFAD-funded projects; prioritize development interventions according to strategic focus and connect those interventions with policy analysis; internalize lessons learned; and involve communities and other stakeholders in policy dialogue and project implementation. Concern to have more emphasis on gender-balanced and environmentally sustainable development was also expressed. The importance was highlighted of better articulation of the role of civil society and government institutions in rural development and poverty alleviation.



L. IFAD/NGO Extended Cooperation Programme (ECP) (Agenda Item 13)

(a) Revised Operational Procedures for the IFAD/NGO Extended Cooperation Programme

45. The Executive Board, in recognizing that the ECP's strategic importance for IFAD had significantly increased over the years, approved the revision of its operational procedures (document EB 2001/72/R.30) as follows:

- “(a) The President of IFAD, for the financing of the activities under the ECP, is authorized to approve grants from IFAD's Regular Resources allocated for the purpose of financing technical assistance grants, provided that:
- (i) the Member Government hosting the activity to be financed under the ECP will have consented to such activity if:
 - such consent is required under the national legislation and/or policies of the host Member; and/or
 - the NGO concerned is not registered as a legal entity under the laws of the host Member; and
 - (ii) the NGO concerned will have provided, or has confirmed that it will provide, appropriate material or financial support for the effective and successful implementation of the ECP project.
- (b) Any single grant to be approved by the President under paragraph (a) above shall not exceed USD 100 000, with the exception of a grant to finance an IFAD/NGO consultation, which may exceed this amount.
- (c) The President is further authorized to conclude, after consultation with the Member Government hosting the ECP activity, the donors and the NGOs involved, such arrangements as he/she may consider appropriate to accomplish the objectives of the ECP.
- (d) The President is requested to report periodically to the Executive Board on all such arrangements concluded in accordance with paragraph (c) above and on the implementation of the ECP and the impact thereof on the programming of IFAD's Regular Resources.”

(b) Progress Report on the IFAD/NGO Extended Cooperation Programme

46. The Executive Board noted the Progress Report on the IFAD/NGO Extended Cooperation Programme (ECP) as contained in document EB 2001/72/R.31.

M. Other Business (Agenda Item 14)

(a) Report on the *Rural Poverty Report 2001*, the World Food Summit: Five Years Later, and Follow-up to the Millennium Summit

47. The Board took note of the Report on the *Rural Poverty Report 2001*, the World Food Summit: Five Years Later, and Follow-up to the Millennium Summit (document EB 2001/72/R.32). With respect to the *Rural Poverty Report 2001*, Directors' suggestions for the fullest dissemination of the Report were invited.



(b) **Progress Report on IFAD's Headquarters Building**

48. The Executive Board took note of the oral report on IFAD's headquarters building and the imminent completion of renovation of the adjacent building. The next report will be given at the Seventy-Fifth Session of the Executive Board.

(c) **Approval of Disclosure of Documents**

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



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Second Session
Rome, 25-26 April 2001

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

**LISTE DES PARTICIPANTS À LA SOIXANTE-DOUZIÈME SESSION
DU CONSEIL D'ADMINISTRATION**

**LISTA DE LOS PARTICIPANTES EN EL 72º PERÍODO DE SESIONES
DE LA JUNTA EJECUTIVA**



Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST A

Canada

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

Spain

Luis CUESTA CIVÍS
Primer Secretario
Embajada de España
Roma

France

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

Belgium

Christian MONNOYER
Ambassadeur du Royaume de
Belgique auprès du FIDA
Rome

Germany

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

Switzerland

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

Italy

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

Portugal

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



ANNEX I

**Member
Membre
Miembro**

**Alternate Member
Membre suppléant
Miembro suplente**

Japan

Keiji YAMAMOTO
Minister
Deputy Head of Mission
Embassy of Japan
Rome

Denmark

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

Norway

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

Sweden

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

United Kingdom

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

Netherlands

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

United States

Mark M. JASKOWIAK
Director
Office of Specialized
Development Institutions
Department of the Treasury
Washington, D.C.

Australia

Ann WILKINSON
Project Officer
Australian Embassy
Rome



Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST B

Kuwait

Hesham I. AL-WAQAYAN
Deputy Director-General
Operations and Disbursement
Kuwait Fund for Arab
Economic Development
Kuwait City

United Arab Emirates

Majed Ali Ahmed OMRAN AL SHAMSI
Assistant Director
Revenue Department
Ministry of Finance
and Industry
Abu Dhabi

Nigeria

Oloche Anebi EDACHE
Director
Federal Department of Agriculture
Federal Ministry of Agriculture
Abuja

Saudi Arabia

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

Indonesia

Natigor SIAGIAN
Director
Bureau for International Cooperation
Ministry of Agriculture
Jakarta

Venezuela

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

Algeria

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



Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

LIST C
SUB-LIST C1 – Africa

Angola

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

Egypt

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

Tunisia

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

Eritrea

Semere AMLESOM
Director-General
Department of Research and
Human Resources Development
Ministry of Agriculture
Asmara

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

China

MA Shiqing
Minister Plenipotentiary
Permanent Representative of
the People's Republic of China
to IFAD
Rome

Pakistan

Adnan BASHIR KHAN
Agricultural Counsellor
Alternate Permanent Representative
of the Islamic Republic of Pakistan
to IFAD
Rome



Member
Membre
Miembro

Alternate Member
Membre suppléant
Miembro suplente

India

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

Bangladesh

A.K.M. Khairul ALAM
Joint Chief
Economic Relations Division
Ministry of Finance
Dhaka

LIST C

SUB-LIST C3 – Latin America and the Caribbean

Brazil

Benvindo BELLUCO
General Coordinator for Policies
with Organizations
Secretariat of International Affairs
Ministry of Planning, Budget
and Management
Brasilia, D.F.

Panama

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

Mexico

Víctor Hugo MORALES MELENDEZ
Consejero
Representante Permanente Adjunto
de los Estados Unidos Mexicanos
ante los Organismos de las
Naciones Unidas
Roma

Argentina

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

**LIST OF DOCUMENTS PLACED BEFORE THE SEVENTY-SECOND SESSION OF
THE EXECUTIVE BOARD**

Document No.	Agenda Item	Title
EB 2001/72/R.1/Rev.1/Add.1	2	Schedule of Work for the Session
EB 2001/72/R.1/Rev.2	2	Agenda
EB 2001/72/R.2 + Add.1	3(a)	Report on the Fifth Replenishment of IFAD's Resources
EB 2001/72/R.3 + Add.1	4(a)	Status of Contributions to the Fourth Replenishment of IFAD's Resources
EB 2001/72/R.4	4(b)(i)	Report on IFAD's Investment Portfolio for 2000
EB 2001/72/R.5	4(b)(ii)	Report on IFAD's Investment Portfolio for the First Quarter of 2001
EB 2001/72/R.6 + Add.1	4(c)	Status Report on Principal and Interest Payments
EB 2001/72/R.7	4(d)	Audited Financial Statements of IFAD as at 31 December 2000
EB 2001/72/R.8	4(e)	Requirements for the Twenty-Second Drawdown of Members' Contributions in 2001
EB 2001/72/R.9	4(f)	Requirements for the Fourteenth Drawdown from the Special Resources for Sub-Saharan Africa (SRS) in 2001
EB 2001/72/R.10	4(g)	Provision of Advance Financing to the Global Mechanism of the United Nations Convention to Combat Desertification
EB 2001/72/R.11	4(h)	Report of the Audit Committee
EB 2001/72/R.12	5	Progress Report on the Project Portfolio
EB 2001/72/R.13	6	Annual Report on Evaluation
EB 2001/72/R.14 + Add.1	7	Resources Available for Commitment



Document No.	Agenda Item	Title
EB 2001/72/R.15	8	IFAD's Participation in the Debt Initiative for Heavily Indebted Poor Countries – 12 New Country Cases
EB 2001/72/R.16 + Add.1 + Sup.1	9(a)	Sao Tome and Principe: Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme
EB 2001/72/R.18	9(b)(i)	Nepal: President's Memorandum: Poverty Alleviation Project in Western Terai (Loan No. 452-NP) – Inclusion of New Project Component and Reallocation of Loan Proceeds
EB 2001/72/R.19	9(b)(ii)	Pakistan: North-West Frontier Province Barani Area Development Project
EB 2001/72/R.20	9(c)(i)	Grenada: Rural Enterprise Project
EB 2001/72/R.21 + Sup.1	9(c)(iii)	Honduras: National Programme for Local Development (PRONADEL)
EB 2001/72/R.22 + Add.1 + Sup.1	9(d)(i)	Armenia: Agricultural Services Project
EB 2001/72/R.23 + Add.1 + Sup.1	9(d)(ii)	Bosnia and Herzegovina: Livestock and Rural Finance Development Project
EB 2001/72/R.24	10(a)	Technical Assistance Grants for Agricultural Research and Training by CGIAR-Supported International Centres
EB 2001/72/R.25	10(b)	Technical Assistance Grants for Agricultural Research and Training by Non-CGIAR-Supported International Centres
EB 2001/72/R.26	10(c)	Technical Assistance Grant for the Benefit of the Caribbean Regional Unit for Technical Assistance (CARUTA) for Dominica, Grenada, Guyana, Jamaica, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago
EB 2001/72/R.27	10(d)	Technical Assistance Grant to the Regional Unit for Technical Assistance (RUTA) for the Rural Financial Services Support Programme (SERFIRURAL) in Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama
EB 2001/72/R.28 + Add.1 + Add.2	11	Planned Project Activities 2001-2002



Document No.	Agenda Item	Title
EB 2001/72/R.29	12	Nigeria: Country Strategic Opportunities Paper (COSOP) – A Framework for Partnership for Rural Poverty Reduction between Nigeria and IFAD
EB 2001/72/R.30	13(a)	Revised Operational Procedures for the IFAD/NGO Extended Cooperation Programme (ECP)
EB 2001/72/R.31	13(b)	Progress Report on the IFAD/NGO Extended Cooperation Programme (ECP)
EB 2001/72/R.32	14(a)	Report on the <i>Rural Poverty Report 2001</i> , the World Food Summit: Five Years Later, and Follow-Up to the Millennium Summit
EB 2001/72/R.33	9(b)(iii)	Sri Lanka/Indonesia: President's Memorandum: Proposal to Change IFAD Direct Supervision Responsibilities from the Matale Regional Economic Advancement Project (Loan No. 493-LK) in Sri Lanka to the Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas (Loan No. 539-ID) in Indonesia
EB 2001/72/R.34	9(c)(ii)	Haiti: President's Memorandum: Food Crops Intensification Project – Phase II (Loan No. 496-HT) – Extension of Loan Effectiveness
EB 2001/72/R.35	3(b)	Status of Contributions to the Fifth Replenishment of IFAD's Resources – First Report
EB 2001/72/R.36	11	Planned Project Activities: Interim Procedure for Review of Country Strategic Opportunities Papers (COSOPs) and Projects
EB 2001/72/INF.1		Arrangements for the Seventy-Second Session of the Executive Board
EB 2001/72/INF.2/Rev.1		List of IFAD Staff Involved in the Preparation of Loan, Grant and Debt Relief Proposals for Submission to the Seventy-Second Session of the Executive Board
EB 2001/72/INF.3		Technical Assistance Grants for Agricultural Research, Other Research, Training and Other Approved by the President
EB 2001/72/INF.4/Rev.1		List of Participants at the Seventy-Second Session of the Executive Board
EB 2001/72/INF.5		Advance Commitment Authority

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Agenda Item 2

25 April 2001
English



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Second Session
Rome, 25-26 April 2001

AGENDA

1. Opening of the Session
2. Adoption of the Agenda
3. Fifth Replenishment of IFAD's Resources
 - (a) Report on the Fifth Replenishment of IFAD's Resources
 - (b) Status of Contributions to the Fifth Replenishment of IFAD's Resources
4. Financial Matters
 - (a) Status of Contributions to the Fourth Replenishment of IFAD's Resources
 - (b) Investment Portfolio
 - (i) Report on IFAD's Investment Portfolio for 2000
 - (ii) Report on IFAD's Investment Portfolio for the First Quarter of 2001
 - (c) Status Report on Principal and Interest Payments
 - (d) Audited Financial Statements of IFAD for 2000
 - (e) Requirements for the Twenty-Second Drawdown of Members' Contributions in 2001
 - (f) Requirements for the Fourteenth Drawdown from the Special Resources for Sub-Saharan Africa (SRS) in 2001
 - (g) Provision of Advance Financing to the Global Mechanism of the United Nations Convention to Combat Desertification
 - (h) Report of the Audit Committee
5. Progress Report on the Project Portfolio
6. Annual Report on Evaluation
7. Resources Available for Commitment at the Seventy-Second Session of the Executive Board and Resource Projections for 2001
8. IFAD's Participation in the Debt Initiative for Heavily Indebted Poor Countries



ANNEX III

9. Project/Programme Proposals for the Consideration of the Executive Board
 - (a) Africa I
 - Sao Tome and Principe: Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme
 - (b) Asia and the Pacific
 - (i) Nepal: President's Memorandum: Poverty Alleviation Project in Western Terai (Loan No. 452-NP) – Inclusion of New Project Component and Reallocation of Loan Proceeds
 - (ii) Pakistan: North-West Frontier Province Barani Area Development Project
 - (iii) Sri Lanka/Indonesia: President's Memorandum: Proposal to Change IFAD Direct Supervision Responsibilities from the Matale Regional Economic Advancement Project (Loan No. 493-LK) in Sri Lanka to the Post-Crisis Programme for Participatory Integrated Development in Rainfed Areas (Loan No. 539-ID) in Indonesia
 - (c) Latin America and the Caribbean
 - (i) Grenada: Rural Enterprise Project
 - (ii) Haiti: President's Memorandum: Food Crops Intensification Project – Phase II (Loan No. 496-HT) – Extension of Loan Effectiveness
 - (iii) Honduras: National Programme for Local Development (PRONADEL)
 - (d) Near East and North Africa
 - (i) Armenia: Agricultural Services Project
 - (ii) Bosnia and Herzegovina: Livestock and Rural Finance Development Project
10. Grant Proposals for the Consideration of the Executive Board
 - (a) Technical Assistance Grants for Agricultural Research and Training by CGIAR-Supported International Centres
 - (b) Technical Assistance Grants for Agricultural Research and Training by Non-CGIAR-Supported International Centres
 - (c) Technical Assistance Grant for the Benefit of the Caribbean Regional Unit for Technical Assistance (CARUTA) for Dominica, Grenada, Guyana, Jamaica, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago
 - (d) Technical Assistance Grant to the Regional Unit for Technical Assistance (RUTA) for the Rural Financial Services Support Programme (SERFIRURAL) in Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama
11. Planned Project Activities and Interim Procedure for Review of Country Strategic Opportunities Papers (COSOPs) and Projects
12. Country Strategic Opportunities Paper for the Federal Republic of Nigeria

ANNEX III

13. IFAD/NGO Extended Cooperation Programme (ECP)
 - (a) Revised Operational Procedures for the IFAD/NGO Extended Cooperation Programme
 - (b) Progress Report on the IFAD/NGO Extended Cooperation Programme

14. Other Business
 - (a) Report on the *Rural Poverty Report 2001*, the World Food Summit: Five Years Later, and Follow-Up to the Millennium Summit
 - (b) Progress Report on IFAD's Headquarters Building
 - (c) Approval of Disclosure of Documents