



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Fourth Session
Rome, 5-6 December 2001

RESOURCES AVAILABLE FOR COMMITMENT

Resources Available for Commitment

1. For the information of the Executive Board, Attachments I and II contain details regarding the resources available for commitment under IFAD's Regular Programme as of 31 October 2001.
2. As shown in Attachment I, applying 31 October 2001 exchange rates, the net resources available for commitment as of 31 October 2001 stood at USD 0 million.
3. With a view to providing the Board with up-to-date information on the Fund's resource situation, data as of 30 November 2001 has been included in Attachment V. In November 2001, net inflows totalling USD 54.7 million were received. In accordance with the procedures governing the use of the Advance Commitment Authority (ACA), these net inflows have been used to cover the ACA authorized to date. This means that, of the USD 100.1 million in ACA approved by the Seventy-Third Session of the Executive Board, USD 83.2 million has been covered. The net resources available for commitment as of 30 November 2001 stood at USD 0 million.
4. Details of Member States' contributions specifically excluded from committable resources as of 31 October 2001 are provided in Attachment II.
5. Attachment III provides details of loans and grants approved by the Executive Board at its Seventy-Second Session in April 2001 and Seventy-Third Session in September 2001.
6. Attachment IV provides details of loans and grants, amounting to approximately SDR 162.6 million, presented to the current Session of the Executive Board. Based on exchange rates in force as of 30 November 2001, such loans and grants amount to some USD 205.8 million.



7. Attachment V shows commitments made under, and the use of, the ACA during 2001. It also shows the expected net inflows until the end of 2001.

8. Given that the resources available for commitment as of 30 November 2001 are not sufficient to cover the loans and grants expected to be approved at the current Session of the Executive Board, recourse is being made to the ACA as provided for in paragraph III.17 of Resolution 119/XXIV of the Governing Council and as recommended in paragraph 14 of the present document.

Advance Commitment Authority

9. The use of the ACA was authorized by the Governing Council at its Twentieth Session in February 1997. The main purpose of the ACA is to cover shortfalls in the amount of committable resources available to approve loans and grants that may arise in a particular year due to delays in the receipt of contribution payments, volatility in the rate of return of investment income and/or delays in the receipt of payments and repayments under loans provided by the Fund.

10. With the adoption of Resolution 119/XXIV on the Fifth Replenishment on 31 July 2000, the ACA was extended until one year following the end of the Fifth Replenishment period, i.e. until 19 February 2005. The Executive Board is responsible for establishing the cumulative resource level available under the ACA.

11. Document EB 2001/72/R.14 presented to the Seventy-Second Session of the Executive Board showed that the resources available for commitment as of 31 March 2001 stood at USD 15.0 million compared with approximately USD 84.6 million in proposed loans and grants for approval. In order to be able to approve all loans and grants submitted for approval, the Board approved the use of up to USD 70.0 million under the ACA — the first time in the history of IFAD that the use of the ACA was approved. The full amount of ACA used (USD 69.6 million) was covered by net inflows during the period April-June 2001.

12. Document EB 2001/73/R.7 presented to the Seventy-Third Session of the Executive Board showed that the resources available for commitment as of 31 August 2001 stood at USD 29.6 million compared with approximately USD 129.7 million in proposed loans and grants to be approved. In order to be able to approve all loan and grant proposals, the Board approved the use of up to USD 100.1 million under the ACA.

13. As shown in Attachment V, the resources available for commitment as at 30 November 2001 are sufficient to cover only partially the present amount of the ACA (USD 16.9 million out of USD 100.1 million used).



Recommendation

14. Based on the resource position as of 30 November 2001, the Executive Board is requested to approve the use of the ACA, as follows:

“The Executive Board, in accordance with paragraph III.17 of Governing Council Resolution 119/XXIV, and noting the present shortfall in resources of an estimated USD 205.8 million due to resources available for commitment of USD 0 million and of loans and grants presented for approval amounting to USD 205.8 million, approves the use of an additional USD 205.8 million under the ACA and accordingly authorizes the President to conclude agreements for loans and grants approved by the Executive Board at its Seventy-Fourth Session in December 2001. In addition, the Board requests the President to report to the Executive Board at its next and subsequent sessions on the use of the ACA and the resources available for commitment.”

ATTACHMENT I

STATEMENT OF RESOURCES AVAILABLE FOR COMMITMENT ¹
31 October 2001
(USD '000)

| | | | |
|---|-----------------|--|-------------------------|
| Assets in freely convertible currencies | | | |
| Cash | 31 932 | | |
| Investments | 1 899 920 | | |
| Promissory notes – Member States | 385 459 | | |
| Other receivables | <u>73 643</u> | | <u>2 390 954</u> |
| Less | | | |
| Payables and accrued liabilities | | | 130 594 |
| General reserve | | | 95 000 |
| Undisbursed effective loans | 1 649 450 | | |
| Approved loans signed but not yet effective | 213 887 | | |
| Undisbursed grants | <u>54 321</u> | | 1 917 658 |
| Promissory notes specifically excluded from resources available (see Attachment II) | | | <u>106 082</u> |
| | | | <u>2 249 334</u> |
| Resources available for commitment | | | 141 620 |
| Less | | | |
| Loans not yet signed | | | 202 576 |
| Grants not yet signed | | | <u>10 740</u> |
| Net resources available for commitment before ACA | | | <u>(71 696)</u> |
| Loan and grant commitments approved under ACA at Seventy-Third Session of the Executive Board in September 2001 | 100 133 | | |
| Less: ACA commitments covered from net inflows in the period 31 August 2001- 31 October 2001 | <u>(28 437)</u> | | |
| Net ACA carried forward at 31 October 2001 | | | <u>71 696</u> |
| Net resources available for commitment | | | <u>0</u> |

¹ For updated information regarding resources available as of 30 November 2001, please refer to Attachment V, Table 3.



ATTACHMENT II

**RESOURCES AVAILABLE FOR COMMITMENT
UNDER REGULAR PROGRAMME
AS OF 31 OCTOBER 2001****Amounts Specifically Excluded
(USD '000)****IFAD****Drawdowns on Initial Contribution****promissory notes that have not been paid**

| | | |
|------|---------------|--------|
| Iran | 29 358 | |
| Iraq | <u>13 717</u> | |
| | | 43 075 |

Drawdowns on First Replenishment**promissory notes that have not been paid**

| | | |
|-------|---------------|--------|
| Iraq | 31 099 | |
| Qatar | <u>10 271</u> | |
| | | 41 370 |

Drawdowns on Second Replenishment**promissory notes that have not been paid**

| | | |
|------------|----------|-------|
| Qatar | 5 000 | |
| Mauritania | <u>2</u> | |
| | | 5 002 |

Drawdowns on Third Replenishment**promissory notes that have not been paid**

| | | |
|------------------------|-----------|--------|
| D.P.R. Korea | 600 | |
| Libyan Arab Jamahiriya | 16 000 | |
| Mauritania | <u>25</u> | |
| | | 16 625 |

**Special Programme for Sub-Saharan
African Countries Affected by Drought
and Desertification****Drawdowns on First Phase****Promissory notes that have not been paid**

| | | |
|------------|-----------|--|
| Mauritania | <u>10</u> | |
|------------|-----------|--|

Total specifically excluded**106 082**



ATTACHMENT III

**LOANS AND GRANTS
APPROVED BY THE SEVENTY-SECOND AND
SEVENTY-THIRD SESSIONS OF THE EXECUTIVE BOARD IN 2001**

| LOANS | | | | |
|--|---|----------|---|--------------------|
| SEVENTY-SECOND SESSION | | | | |
| Country | Date of Approval by the Executive Board | Loan No. | Title | SDR Equivalent |
| Armenia | 26 04 2001 | 561-AM | Agricultural Services Project | 12 350 000 |
| Bosnia and Herzegovina | 26 04 2001 | 562-BA | Livestock and Rural Finance Development Project | 9 550 000 |
| Grenada | 26 04 2001 | 559-GD | Rural Enterprise Project | 3 250 000 |
| Honduras | 26 04 2001 | 560-HN | National Programme for Local Development (PRONADEL) | 15 500 000 |
| Pakistan | 26 04 2001 | 558-PK | North-West Frontier Province Barani Area Development Project | 11 150 000 |
| Sao Tome and Principe | 26 04 2001 | 557-ST | Participatory Smallholder Agriculture and Artisanal Fisheries Development Programme | 7 950 000 |
| Subtotal | | | | 59 750 000 |
| SEVENTY-THIRD SESSION | | | | |
| Country | Date of Approval by the Executive Board | Loan No. | Title | SDR Equivalent |
| Bangladesh | 12 09 2001 | 567-BD | Sunamganj Community-Based Resource Management Project | 17 550 000 |
| India | 12 09 2001 | 568-IN | Livelihood Security Project for Earthquake-Affected Rural Households in Gujarat | 11 650 000 |
| Lebanon | 12 09 2001 | 569-LB | Cooperative Rural Finance Programme | 10 250 000 |
| Malawi | 12 09 2001 | 565-MW | Rural Livelihoods Support Programme | 10 700 000 |
| Mauritania | 12 09 2001 | 563-MR | Poverty Reduction Project in Aftout South and Karakoro | 8 800 000 |
| Mozambique | 12 09 2001 | 566-MZ | Sofala Bank Artisanal Fisheries Project | 14 000 000 |
| Nigeria | 12 09 2001 | 564-NG | Community-Based Agricultural and Rural Development Programme | 23 800 000 |
| Subtotal | | | | 96 750 000 |
| Total loans approved by the Executive Board to date in 2001 | | | | 156 500 000 |



ATTACHMENT III

| GRANTS | | | |
|--|---|---------------------|-----------------------|
| SEVENTY-SECOND SESSION | | | |
| Institution/Country | Title | TA Grant No. | SDR Equivalent |
| Caribbean Regional Unit for Technical Assistance (CARUTA) | Caribbean Regional Unit for Technical Assistance | 537-CARUTA | 597 311 |
| International Centre for Advanced Mediterranean Agronomic Studies (CIHEAM) | Action-Research Programme on the Identification and Testing of Methodologies and Approaches for Effective Introduction of Participatory Irrigation Management (PIM) | 536-CIHEAM | 1 269 187 |
| International Center for Living Aquatic Resources Management (ICLARM) | Community-Based Fisheries Management (CBFM) Programme in South and Southeast Asia | 531-ICLARM | 515 607 |
| International Centre for Research in Agroforestry (ICRAF) | Programme for Developing Mechanisms to Reward the Upland Poor of Asia for the Environment Services they Provide | 534-ICRAF | 1 110 538 |
| International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) | Programme for Farmer-Participatory Improvement of Grain Legumes in Rainfed Asia | 532-ICRISAT | 1 031 214 |
| International Fertilizer Development Centre (IFDC) | Development of Sustainable Integrated Soil Fertility Management Strategies for Smallholder Farms in Sub-Saharan Africa | 535-IFDC | 1 138 302 |
| International Plant Genetic Resources Institute (IPGRI) | Programme for Enhancing the Contribution of Neglected and Underutilized Crops to Food Security and to the Incomes of the Rural Poor | 533-IPGRI | 1 118 471 |
| Regional Unit for Technical Assistance (RUTA) | Rural Financial Services Support Programme (SERFIRURAL) in Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama | 538-RUTA | 594 931 |
| Subtotal | | | 7 375 561 |
| SEVENTY-THIRD SESSION | | | |
| Institution/Country | Title | TA Grant No. | SDR Equivalent |
| International Centre for Agricultural Research in the Dry Areas (ICARDA) | Programme to Foster Wider Adoption of Low-Cost Durum Technologies | 553-ICARDA | 857 399 |
| International Livestock Research Institute (ILRI) and International Centre of Insects Physiology and Ecology (ICIPE) | Programme for Enhancing the Diffusion of New Tsetse Control Technologies for Improved Livestock Health and Productivity in Smallholder Indigenous Communities of Sub-Saharan Africa | 554-ILRI/ICIPE | 1 009 137 |
| Popular Coalition to Eradicate Hunger and Poverty | Strengthening the Capacity of the Rural Poor to Gain and Sustain Access to Productive Assets | 552-PCEHP | 388 129 |
| Southern Alliance for Indigenous Resources (SAFIRE) | Programme to Promote the Sustainable Use of and Trade in Natural Products Through the Southern African Natural Products Trade Association (SANProTA) | 555-SAFIRE | 776 259 |
| United Nations Office for Project Services (UNOPS) | Western and Central African Rural Development Hub – A Tool to Improve Food Security and Rural Poverty Alleviation | 556-UNOPS | 931 511 |
| Subtotal | | | 3 962 435 |
| Total grants approved by the Executive Board to date in 2001 | | | 11 337 996 |
| Total loans and grants approved by the Executive Board to date in 2001 | | | 167 837 996 |

ATTACHMENT IV

PROPOSED LOANS AND GRANTS PRESENTED FOR APPROVAL AT THE SEVENTY-FOURTH SESSION OF THE EXECUTIVE BOARD

| PROPOSED LOANS | | | |
|---|--|--------------------|------------------------------------|
| Country | Title | USD | SDR Equivalent ¹ |
| Algeria | Pilot Project for the Development of Mountain Agriculture in the Watershed Basin of Oued Saf Saf | 12 280 976 | 9 700 000 |
| Benin | Participatory Artisanal Fisheries Development Support Programme | 9 938 728 | 7 850 000 |
| El Salvador | Reconstruction and Rural Modernization Programme | 19 814 152 | 15 650 000 |
| Ethiopia | Rural Financial Intermediation Programme | 25 511 512 | 20 150 000 |
| Ghana | Northern Region Poverty Reduction Programme | 12 344 280 | 9 750 000 |
| Nepal | Western Uplands Poverty Alleviation Project | 19 750 848 | 15 600 000 |
| Panama | Sustainable Rural Development Project for the Ngöbe-Buglé Territory and Adjoining Districts | 24 561 952 | 19 400 000 |
| Philippines | Northern Mindanao Community Initiatives and Resource Management Project | 14 686 528 | 11 600 000 |
| Rwanda | Umutara Community Resources and Infrastructure Development Twin Project | 11 901 152 | 9 400 000 |
| Swaziland | Lower Usuthu Smallholder Irrigation Project – Phase I | 15 066 352 | 11 900 000 |
| Tanzania, United Republic of | Agricultural Marketing Systems Development Programme | 16 395 736 | 12 950 000 |
| Viet Nam | Rural Income Diversification Project in Tuyen Quang Province | 20 763 712 | 16 400 000 |
| Subtotal | | 203 015 928 | 160 350 000 |
| PROPOSED GRANTS | | | |
| Institution | Title | USD | SDR Equivalent ¹ |
| Nepal | Western Uplands Poverty Alleviation Project | 367 163 | 290 000 |
| African Network for Horticultural Development (RADHORT) | Programme for Sustainable Vegetable Production and Marketing in West Africa | 1 250 000 | 987 299 |
| UNCCD | Grant to the Global Mechanism of the United Nations Convention to Combat Desertification | 1 250 000 | 987 299 |
| Subtotal | | 2 867 163 | 2 264 598 |
| Total | | 205 883 091 | 162 614 598 |

¹ Using the 30 November 2001 USD/SDR exchange rate of 1.26608.

ATTACHMENT V

COMMITMENTS UNDER, AND USE OF, THE ADVANCE COMMITMENT AUTHORITY

| Table 1 | |
|---|------------|
| USD million | |
| Resources | |
| Net resources available at 31 October | 0 |
| Net inflows received during November | 54.7 |
| Inflows used to cover ACA | (54.7) |
| Total at 30 November 2001 | (0) |
| Loans and grants proposed (Seventy-Fourth Session of the Executive Board) | (205.8) |
| Shortfall in resources | (205.8) |
| Expected use of ACA | 205.8 |
| Balance | 0 |

| Table 2 | | | |
|-----------------------------|--------------|--------------|--------------|
| USD million | | | |
| ACA | EB 72 | EB 73 | EB 74 |
| Beginning balance | 0 | 0 | 16.9 |
| Approved ACA/ Requested | 69.6 | 100.1 | 205.8 |
| Total ACA | 69.6 | 100.1 | 222.7 |
| ACA covered | (69.6) | (83.2) | (55.2)* |
| ACA to carry forward | 0 | 16.9 | 167.5 |

| Table 3 | |
|--|----------|
| Flows and expected flows November - December 2001 | |
| USD million | |
| Resources at 31 October 2001 | 0 |
| Loan reflows | 10.4 |
| Members' contributions | 16.8 |
| Reinstatement of exclusion status (Nigeria) | (4.2) |
| Loan cancellations | 0.2 |
| Investment profit | 33.0 |
| Administrative expenses | (3.0) |
| Exchange rate movements | 1.5 |
| Net inflows received during October 2001 | 54.7 |
| Net reflows used to cover ACA | (54.7) |
| Resources available at 30 November 2001 | 0 |
| Loan reflows | 17.3 |
| Members' contributions | 33.0 |
| Loan cancellations | 8.9 |
| Investment profit/(loss) | 0 |
| Administrative expenses | (4.0) |
| Net expected inflows in December 2001 | 55.2 |
| Reflows used to cover ACA | (55.2) |
| Loan and grant commitments (Seventy-Fourth Session of the Executive Board) | (205.8) |
| Expected ACA to be requested | 205.8 |
| Expected resources available at 31 December 2001 | 0 |

* Expected ACA to be covered in December 2001 as indicated in Table 3 below.