



**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 30 September 2001.
2. As shown in Attachment I, applying 30 September 2001 exchange rates, the net resources available for commitment as of 30 September 2001 stood at minus USD 65.4 million.
3. With a view to providing the Board with up-to-date information on the Fund's resource situation, data as of 31 October 2001 has been included in Attachment V. In October 2001, net inflows totalling USD 84.1 million were received, bringing the net resource position as of 31 October 2001 to USD 18.7 million. 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 18.7 million has been covered.
4. Details of Member States' contributions specifically excluded from committable resources as of 30 September 2001 are provided in Attachment II. The Executive Board is hereby informed that, in October 2001, USD 2.1 million was received from Nigeria as part payment of its overdue contribution. Therefore, in accordance with the policy adopted by the Thirty-Fourth Session of the Executive Board for determining the resources available for commitment, the increase in committable resources as a result of Nigeria's payment amounts to USD 6.3 million.
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 162.1 million, presented to the current Session of the Executive Board. Based on exchange rates in force as of 31 October 2001, such loans and grants amount to some USD 207.2 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 31 October 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 31 October 2001 are sufficient to cover only partially the present amount of the ACA (USD 18.7 million out of USD 100.1 million used). An update to this document will be provided to the Seventy-Fourth Session of the Board, indicating the estimated level of ACA required to approve the proposed programme of work based on the resource situation calculated shortly prior to the Board session. The figures included in the recommendation will be updated accordingly.



## **Recommendation**

14. Based on the resource position as of 31 October 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 207.2 million due to resources available for commitment of USD 0 million and of loans and grants presented for approval amounting to USD 207.2 million, approves the use of an additional USD 207.2 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 <sup>1</sup>**  
**30 September 2001**  
**(USD '000)**

<b>Assets in freely convertible currencies</b>			
Cash	40 028		
Investments	1 841 814		
Promissory notes – Member States	392 750		
Other receivables	<u>91 742</u>		<b><u>2 366 334</u></b>
<b>Less</b>			
Payables and accrued liabilities			134 776
General reserve			95 000
Undisbursed effective loans	1 670 815		
Approved loans signed but not yet effective	225 641		
Undisbursed grants	<u>55 552</u>		1 952 008
Promissory notes specifically excluded from resources available (see Attachment II)			<u>112 355</u>
			<b><u>2 294 139</u></b>
<b>Resources available for commitment</b>			<b>72 195</b>
<b>Less</b>			
Loans not yet signed			226 801
Grants not yet signed			<u>10 940</u>
<b>Net resources available for commitment before ACA</b>			<b><u>(165 546)</u></b>
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 2001-30 September 2001		<u>0</u>	
<b>Net ACA carried forward at 30 September 2001</b>			<b><u>100 133</u></b>
<b>Net resources available for commitment</b>			<b><u>(65 413)</u></b>

<sup>1</sup> For updated information regarding resources available as of 31 October 2001, please refer to Attachment V, Table 3.



## ATTACHMENT II

**RESOURCES AVAILABLE FOR COMMITMENT  
UNDER REGULAR PROGRAMME  
AS OF 30 SEPTEMBER 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	25	
Nigeria	<u>6 273</u>	22 898

**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>	
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**Total specifically excluded****112 355**



## ATTACHMENT III

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

LOANS				
<b>SEVENTY-SECOND SESSION</b>				
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
<b>Subtotal</b>				<b>59 750 000</b>
<b>SEVENTY-THIRD SESSION</b>				
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
<b>Subtotal</b>				<b>96 750 000</b>
<b>Total loans approved by the Executive Board to date in 2001</b>				<b>156 500 000</b>



## ATTACHMENT III

<b>GRANTS</b>			
<b>SEVENTY-SECOND SESSION</b>			
<b>Institution/Country</b>	<b>Title</b>	<b>TA Grant No.</b>	<b>SDR Equivalent</b>
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
<b>Subtotal</b>			<b>7 375 561</b>
<b>SEVENTY-THIRD SESSION</b>			
<b>Institution/Country</b>	<b>Title</b>	<b>TA Grant No.</b>	<b>SDR Equivalent</b>
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
<b>Subtotal</b>			<b>3 962 435</b>
<b>Total grants approved by the Executive Board to date in 2001</b>			<b>11 337 996</b>
<b>Total loans and grants approved by the Executive Board to date in 2001</b>			<b>167 837 996</b>

**ATTACHMENT IV**

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

<b>PROPOSED LOANS</b>			
<b>Country</b>	<b>Title</b>	<b>USD</b>	<b>SDR Equivalent <sup>1</sup></b>
Algeria	Pilot Project for the Development of Mountain Agriculture in the Watershed Basin of Oued Saf Saf	12 397 376	9 700 000
Benin	Participatory Artisanal Fisheries Development Support Programme	10 000 000	7 824 236
El Salvador	Reconstruction and Rural Modernization Programme	20 000 000	15 648 473
Ethiopia	Rural Financial Intermediation Programme	26 000 000	20 343 015
Ghana	Northern Region Poverty Reduction Programme	12 300 000	9 623 811
Nepal	Western Uplands Poverty Alleviation Project	20 000 000	15 648 473
Panama	Sustainable Rural Development Project for Ngöbe-Buglé Groups and Poor Small Farmers of the Western Provinces	24 794 752	19 400 000
Philippines	Northern Mindanao Community Initiatives and Resource Management Project	14 800 000	11 579 870
Rwanda	Umutara Community Resources and Infrastructure Development Twin Project	12 013 952	9 400 000
Swaziland	Lower Usuthu Smallholder Irrigation Project – Phase I	15 209 152	11 900 000
Tanzania, United Republic of	Agricultural Marketing Systems Development Programme	16 300 000	12 753 505
Viet Nam	Rural Income Diversification Project in Tuyen Quang Province	20 900 000	16 352 654
<b>Subtotal</b>		<b>204 715 232</b>	<b>160 174 037</b>
<b>PROPOSED GRANTS</b>			
<b>Institution</b>	<b>Title</b>	<b>USD</b>	<b>SDR Equivalent <sup>1</sup></b>
African Network for Horticultural Development (RADHORT)	Programme for Sustainable Vegetable Production and Marketing in West Africa	1 250 000	978 029
UNCCD	Grant to the Global Mechanism of the United Nations Convention to Combat Desertification	1 250 000	978 029
<b>Subtotal</b>		<b>2 500 000</b>	<b>1 956 058</b>
<b>Total</b>		<b>207 215 232</b>	<b>162 130 095</b>

<sup>1</sup> Using the 31 October 2001 USD/SDR exchange rate of 1.27808.



ATTACHMENT V

**COMMITMENTS UNDER, AND USE OF, THE ADVANCE COMMITMENT AUTHORITY**

<b>Table 1</b>	
<b>USD million</b>	
<b>Resources</b>	
Net resources available at 30 September	(65.4)
Net inflows received during October 2001	84.1
<b>Net resources available at 31 October</b>	<b>18.7</b>
Inflows used to cover ACA	(18.7)
<b>Total at 31 October 2001</b>	<b>(0)</b>
Loans and grants proposed (Seventy-Fourth Session of the Executive Board)	(207.2)
Shortfall in resources	(207.2)
Expected use of ACA	207.2
<b>Balance</b>	<b>0</b>

<b>Table 2</b>			
<b>USD million</b>			
<b>ACA</b>	<b>EB 72</b>	<b>EB 73</b>	<b>EB 74</b>
<b>Beginning balance</b>	<b>0</b>	<b>0</b>	<b>81.4</b>
Approved ACA/ Requested	69.6	100.1	207.2
ACA covered	(69.6)	(18.7)	(65.3)
<b>ACA to carry forward</b>	<b>0</b>	<b>81.4</b>	<b>223.3</b>

<b>Table 3</b>	
<b>Flows and expected flows October - December 2001</b>	
<b>USD million</b>	
<b>Resources at 30 September 2001</b>	<b>(65.4)</b>
Loan reflows	12.9
Members' contributions	16.8
Cancellation from provision status (Nigeria)	6.3
Loan cancellations	4.9
Investment profit	51.3
Grant payments	(1.1)
Administrative expenses	(3.0)
Provision for HIPC funds	(4.0)
Net inflows received during October 2001	84.1
Net reflows used to cover ACA	(18.7)
<b>Resources available at 31 October 2001</b>	<b>0</b>
Loan reflows	30.1
Members' contributions	33.0
Loan cancellations	8.1
Investment profit/(loss)	0
Grant payments	(1.9)
Administrative expenses	(7.0)
Exchange rate movements	3.0
Net expected inflows in November/December 2001	65.3
Reflows used to cover ACA	(65.3)
Loan and grant commitments (Seventy-Fourth Session of the Executive Board)	(207.2)
Expected ACA to be requested	207.2
<b>Expected resources available at 31 December 2001</b>	<b>0</b>