



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Fifth Session
Rome, 22-23 April 2002

**REPORT ON THE FIRST SESSION OF THE CONSULTATION ON THE
SIXTH REPLENISHMENT OF IFAD'S RESOURCES**

1. The First Session of the Consultation on the Sixth Replenishment of IFAD's Resources convened on 21 February 2002. Delegates expressed the hope that the international climate in favour of increasing resource flows for poverty-eradication efforts would be strengthened. In this context reference was made in particular to the political momentum that could be generated by the Conference on Financing for Development, the World Food Summit Five Years Later and the World Summit on Sustainable Development Plus Ten.
2. The Convenor of List C said that IFAD appears capable of increasing its assistance for poverty reduction by increasing its level of resources. In the spirit of cooperation among all members of the Consultation, in order to strengthen dialogue and progress openly and fruitfully towards the goal of concluding negotiations this year, he suggested that there be intersessional meetings of the Convenors with IFAD management.
3. The Convenor for List B stated that his list was prepared to work closely with other lists and with the chairperson, recognizing the important role that IFAD must play in poverty-eradication efforts, especially in the context of major new initiatives such as the New Partnership for Africa's Development (NEPAD). The Convenor for List A, stressed that his list looked forward to a productive, efficient and timely replenishment Consultation process.
4. The Consultation discussed and approved the proposed dates and indicative workplan for its next three sessions. With respect to the number and timing of sessions, it was agreed that three successive sessions during 2002 should suffice to conclude negotiations. Accordingly, the following dates were set for the Second, Third and Fourth Sessions of the IFAD VI Consultation:

Second Session:	Thursday, 18 and Friday, 19 April 2002
Third Session:	Tuesday, 2 and Wednesday, 3 July 2002
Fourth Session:	Wednesday, 9 and Thursday, 10 October 2002



An indicative sequence of topics to be addressed by the Consultation in relation to the above Session calendar was also approved. These topics are as follows:

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| Second Session: | Operationalizing IFAD's Strategic Framework for IFAD (2002-2006)
(with the Strategic Framework for IFAD (2002-2006) and the regional strategies as background)
Resource Requirements |
| Third Session: | Review of the Results and Impact of IFAD Operations
Resource Requirements and Burden-Sharing
Draft of the Consultation's Final Report |
| Fourth Session: | Agreement on Resource Requirements and Burden-Sharing
Finalization of the Consultation's Report |

5. The Consultation noted that the progress report on the implementation of the IFAD V: Plan of Action, which was made available at the Session, had been considered both at the December 2001 Executive Board Session and at the recent Governing Council Session.

6. The proposed External Review of the Results and Impact of IFAD Operations was discussed. The chairperson of the review team, Mr Niels Dabelstein, presented the terms of reference of the review. It was suggested that the review look into the lack of incentive and monitoring structures within IFAD for gender mainstreaming. It was further suggested that a useful outcome of the review would be a description of IFAD monitoring and evaluation of the impact of operations financed by IFAD and implemented by others. The Consultation approved the undertaking of the external review, the composition of the team and the terms of reference. The comments made by the Consultation on this issue would be provided to the review team.

7. An indicative outline of the Consultation's final report was also discussed. A number of suggestions were made on the indicative outline of the Consultation's final report. It was acknowledged that the outline was being presented very early in the Consultation process and that the contents of the report would evolve over the course of the negotiations. It was also noted that the final report would include progress achieved in the implementation of the IFAD V: Plan of Action and provide a clear link between the Strategic Framework, the regional strategies, the projected work programme and its three-year resource requirements. Several delegates underlined that IFAD's mission focuses on rural poverty eradication, within which agricultural development often plays a key role. It was noted that gender should feature clearly in the final report, as it does in IFAD's work.

8. A number of resource scenarios for the Sixth Replenishment period were presented for the purpose of demonstrating the implications of different assumptions for IFAD's resource position. Some delegates requested longer-term financial scenarios to better understand the underlying sustainability of specific assumptions. The impact of IFAD's obligations under the Debt Initiative for Heavily Indebted Poor Countries (HIPC) was raised by some delegates, as well as the modalities and prospect of accessing the World Bank HIPC Trust Fund. It was suggested that the World Bank might be asked to provide information concerning the administration and resources of the Trust Fund. One delegate highlighted the importance of performance as a basis for decisions on lending.

9. Several delegates noted that the use of the Advance Commitment Authority (ACA) posed important questions. Delegates were informed that information on the use of ACA by other international financial institutions was made available and that a report on the implementation of the Fund's new investment policy is being provided to the April 2002 Session of the Executive Board. Several delegates emphasized that a work programme of USD 450 million in real terms (1996 prices) was the minimum acceptable for the Fund's effective operation.



10. The chairperson stated that, in addition to providing detailed information on the financial scenarios, the Secretariat would extract the key elements in a more concise document. At the same time the Secretariat would be willing to respond to specific queries and provide further analysis regarding the scenarios in response to requests as indicated by delegates.