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

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 December 2001.

2. As shown in Attachment I, applying 31 December 2001 exchange rates, the net resources available for commitment as of 31 December 2001 stood at USD 0 million.

3. Details of Member States’ contributions specifically excluded from committable resources as of 31 December 2001 are provided in Attachment II.

4. Attachment III provides details of loans and grants, amounting to approximately SDR 96.2 million, presented to the current Session of the Executive Board. Based on exchange rates in force as of 31 December 2001, such loans and grants amount to some USD 121.0 million.

5. Attachment IV shows commitments under and use of, the Advance Commitment Authority (ACA) during 2001. It also shows the expected net inflows until 31 March 2002.

6. Given that the resources available for commitment as of 31 March 2002 may be insufficient 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 13 of the present document.

Advance Commitment Authority

7. 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.
8. 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.

9. 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.

10. 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. The full amount of ACA used was covered by net inflows during the period September-December 2001.

11. Document EB 2001/74/R.5/Add.1 presented to the Seventy-Fourth Session of the Executive Board showed that the resources available for commitment as of 30 November 2001 stood at USD 0 million compared with approximately USD 205.8 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 205.8 million under the ACA.

12. As shown in Attachment IV, the resources available for commitment as at 31 December 2001 are already sufficient to partially cover the present amount of the ACA (USD 52.1 million out of USD 205.8 million authorized). An update to this document will be provided to the Seventy-Fifth 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

13. Based on the resource position as of 31 December 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 121.0 million due to resources available for commitment of USD 0 million and of loans and grants presented for approval amounting to USD 121.0 million, approves the use of an additional USD 121.0 million under the ACA and accordingly authorizes the President to conclude agreements for loans and grants approved by the Executive Board at its Seventy-Fifth Session in April 2002. 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.”
### STATEMENT OF RESOURCES AVAILABLE FOR COMMITMENT
31 December 2001
(USD ’000)

**Assets in freely-convertible currencies**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>71 702</td>
</tr>
<tr>
<td>Investments</td>
<td>1 884 305</td>
</tr>
<tr>
<td>Promissory notes – Member States</td>
<td>374 099</td>
</tr>
<tr>
<td>Other receivables</td>
<td>49 818</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 379 924</strong></td>
</tr>
</tbody>
</table>

**Less**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables and accrued liabilities</td>
<td>115 227</td>
</tr>
<tr>
<td>General Reserve</td>
<td>95 000</td>
</tr>
<tr>
<td>Undisbursed effective loans</td>
<td>1 607 782</td>
</tr>
<tr>
<td>Approved loans signed but not yet effective</td>
<td>225 772</td>
</tr>
<tr>
<td>Undisbursed grants</td>
<td>49 919</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 883 473</strong></td>
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</tbody>
</table>

**Drawdowns on Initial Contribution**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory notes that have not been paid</td>
<td>43 075</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43 075</strong></td>
</tr>
</tbody>
</table>

**Drawdowns on First Replenishment**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory notes that have not been paid</td>
<td>41 370</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41 370</strong></td>
</tr>
</tbody>
</table>

**Drawdowns on Second Replenishment**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory notes that have not been paid</td>
<td>5 002</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5 002</strong></td>
</tr>
</tbody>
</table>

**Drawdowns on Third Replenishment**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory notes that have not been paid</td>
<td>20 795</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20 795</strong></td>
</tr>
</tbody>
</table>

**Drawdowns on SPA First Phase**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promissory notes that have not been paid</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 203 952</strong></td>
</tr>
</tbody>
</table>

**Resources available for commitment**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans not yet signed</td>
<td>314 811</td>
</tr>
<tr>
<td>Grants not yet signed</td>
<td>14 852</td>
</tr>
<tr>
<td><strong>Net resources available for commitment prior to ACA</strong></td>
<td><strong>(153 691)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACA approved at 72nd Executive Board</td>
<td>69 600</td>
</tr>
<tr>
<td>ACA approved at 73rd Executive Board</td>
<td>100 133</td>
</tr>
<tr>
<td>ACA approved at 74th Executive Board</td>
<td><strong>205 800</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>375 533</strong></td>
</tr>
</tbody>
</table>

**Less:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACA reversed in year</td>
<td><strong>(221 842)</strong></td>
</tr>
<tr>
<td><strong>ACA carried forward</strong></td>
<td><strong>153 691</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Resources Available for Commitment</strong></td>
<td><strong>0</strong></td>
</tr>
</tbody>
</table>
RESOURCES AVAILABLE FOR COMMITMENT
UNDER REGULAR PROGRAMME
AS OF 31 DECEMBER 2001

Amounts Specifically Excluded
(USD ’000)

IFAD

Drawdowns on Initial Contribution
promissory notes that have not been paid
<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (USD ’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran</td>
<td>29 358</td>
</tr>
<tr>
<td>Iraq</td>
<td>13 717</td>
</tr>
</tbody>
</table>

43 075

Drawdowns on First Replenishment
promissory notes that have not been paid
<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (USD ’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iraq</td>
<td>31 099</td>
</tr>
<tr>
<td>Qatar</td>
<td>10 271</td>
</tr>
</tbody>
</table>

41 370

Drawdowns on Second Replenishment
promissory notes that have not been paid
<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (USD ’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qatar</td>
<td>5 000</td>
</tr>
<tr>
<td>Mauritania</td>
<td>2</td>
</tr>
</tbody>
</table>

5 002

Drawdowns on Third Replenishment
promissory notes that have not been paid
<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (USD ’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.P.R. Korea</td>
<td>600</td>
</tr>
<tr>
<td>Libyan Arab Jamahiriya</td>
<td>16 000</td>
</tr>
<tr>
<td>Mauritania</td>
<td>25</td>
</tr>
<tr>
<td>Nigeria</td>
<td>4 170</td>
</tr>
</tbody>
</table>

20 795

Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification

Drawdowns on First Phase
promissory notes that have not been paid
<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (USD ’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mauritania</td>
<td>10</td>
</tr>
</tbody>
</table>

Total specifically excluded 110 252
## PROPOSED LOANS AND GRANTS PRESENTED FOR APPROVAL AT THE SEVENTY-FIFTH SESSION OF THE EXECUTIVE BOARD

### PROPOSED LOANS

<table>
<thead>
<tr>
<th>Country</th>
<th>Project Title</th>
<th>USD</th>
<th>SDR Equivalent a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cameroon</td>
<td>Community Development Support Project</td>
<td>11,590,000</td>
<td>9,222,347</td>
</tr>
<tr>
<td>Egypt</td>
<td>West Noubaria Rural Development Project</td>
<td>18,450,000</td>
<td>14,680,958</td>
</tr>
<tr>
<td>Eritrea</td>
<td>Gash Barka Livestock and Agricultural Development Project</td>
<td>10,000,000</td>
<td>7,957,159</td>
</tr>
<tr>
<td>Haiti</td>
<td>Productive Initiatives Support Programme in Rural Areas</td>
<td>21,700,000</td>
<td>17,267,034</td>
</tr>
<tr>
<td>India</td>
<td>Orissa Tribal Empowerment and Livelihoods Programme</td>
<td>20,000,000</td>
<td>15,914,317</td>
</tr>
<tr>
<td>Laos</td>
<td>Oudomxai Community Initiatives Support Project</td>
<td>13,410,000</td>
<td>10,670,550</td>
</tr>
<tr>
<td>Mongolia</td>
<td>Rural Poverty Alleviation Programme</td>
<td>15,100,000</td>
<td>12,015,310</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>110,250,000</strong></td>
<td><strong>87,727,674</strong></td>
</tr>
</tbody>
</table>

### PROPOSED GRANTS

<table>
<thead>
<tr>
<th>Institution</th>
<th>Title</th>
<th>USD</th>
<th>SDR Equivalent a</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIAT</td>
<td>Integrated Upland Agricultural Development</td>
<td>1,450,000</td>
<td>1,153,788</td>
</tr>
<tr>
<td>FAO</td>
<td>Marine Resources and Environment Surveys Programme in the Red Sea</td>
<td>1,000,000</td>
<td>795,716</td>
</tr>
<tr>
<td>FAO</td>
<td>Rural Knowledge Networking for Eastern and Southern Africa</td>
<td>1,000,000</td>
<td>795,716</td>
</tr>
<tr>
<td>FIDAMERICA</td>
<td>Knowledge and Information Network</td>
<td>900,000</td>
<td>716,144</td>
</tr>
<tr>
<td>ICARDA</td>
<td>Enhancing Food Security in the Nile Valley and Red Sea Region: Technology Generation and Dissemination for Sustainable Production of Cereals and Cool Season Food Legumes</td>
<td>1,200,000</td>
<td>954,859</td>
</tr>
<tr>
<td>IDRC</td>
<td>Electronic Networking for Rural Asia/Pacific Projects (ENRAP) Phase II – Knowledge Networking for Rural Development in Asia</td>
<td>1,500,000</td>
<td>1,193,574</td>
</tr>
<tr>
<td>IFDC</td>
<td>Development and Implementation of an Information and Decision Support System for Cereal Production in the West Asia and North Africa (WANA) Region: Improving Agricultural Input Efficiency and Reducing Production Risks</td>
<td>1,500,000</td>
<td>1,193,574</td>
</tr>
<tr>
<td>PROMER</td>
<td>Technical Regional Programme</td>
<td>900,000</td>
<td>716,144</td>
</tr>
<tr>
<td>UNCCD</td>
<td>Grant to the Global Mechanism of the United Nations Convention to Combat Desertification</td>
<td>1,250,000</td>
<td>994,645</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td><strong>11,700,000</strong></td>
<td><strong>8,514,160</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>120,950,000</strong></td>
<td><strong>96,241,834</strong></td>
</tr>
</tbody>
</table>

---

a Using the 31 December 2001 USD/SDR exchange rate of 1.25673
COMMITMENTS UNDER AND USE OF THE ADVANCE COMMITMENT AUTHORITY

### Table 1

<table>
<thead>
<tr>
<th>Resources</th>
<th>USD million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net resources available at 31 December 2001</td>
<td>0</td>
</tr>
<tr>
<td>Net inflows expected Jan-Mar 2002 (see Table 3 below)</td>
<td>89.0</td>
</tr>
<tr>
<td>Inflows used to cover ACA (89.0)</td>
<td></td>
</tr>
<tr>
<td><strong>Total as at 31 March</strong></td>
<td>(121.0)</td>
</tr>
<tr>
<td>Loans and grants proposed (Seventy-Fifth Session of the Executive Board)</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>0</td>
</tr>
<tr>
<td>Shortfall in resources</td>
<td>(121.0)</td>
</tr>
<tr>
<td>Expected use of additional ACA a</td>
<td>121.0</td>
</tr>
<tr>
<td><strong>Balance</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

### Table 2

<table>
<thead>
<tr>
<th>ACA</th>
<th>EB 72</th>
<th>EB 73</th>
<th>EB 74</th>
<th>EB 75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance</td>
<td>0</td>
<td>0</td>
<td>16.9</td>
<td>153.7</td>
</tr>
<tr>
<td>Approved ACA/ Requested</td>
<td>69.6</td>
<td>100.1</td>
<td>205.8</td>
<td>121.0</td>
</tr>
<tr>
<td><strong>Total ACA</strong></td>
<td>69.6</td>
<td>100.1</td>
<td>222.7</td>
<td>274.7</td>
</tr>
<tr>
<td>ACA covered</td>
<td>(69.6)</td>
<td>(83.2)</td>
<td>(69.0)</td>
<td>(89.0)</td>
</tr>
<tr>
<td><strong>ACA to carry forward</strong></td>
<td>0</td>
<td>16.9</td>
<td>153.7</td>
<td>185.7</td>
</tr>
</tbody>
</table>

### Table 3

<table>
<thead>
<tr>
<th>Flows and expected flows January-March 2002</th>
<th>USD million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resources at 31 December 2001</td>
<td>0</td>
</tr>
<tr>
<td>Loan reflows</td>
<td>45.0</td>
</tr>
<tr>
<td>Members’ contributions</td>
<td>29.0</td>
</tr>
<tr>
<td>Investment income b</td>
<td>22.0</td>
</tr>
<tr>
<td>Loan and grant cancellations</td>
<td>13.0</td>
</tr>
<tr>
<td>Administrative expenses, Strategic Change Programme and After-Service Medical</td>
<td>(13.0)</td>
</tr>
<tr>
<td>PDFF</td>
<td>(7.0)</td>
</tr>
<tr>
<td>Net expected reflows in Jan-Mar 2002</td>
<td>89.0</td>
</tr>
<tr>
<td>Net reflows used to cover ACA (89.0)</td>
<td>0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>0</td>
</tr>
<tr>
<td>Loan and grant commitments (EB75)</td>
<td>(121.0)</td>
</tr>
<tr>
<td>Expected additional ACA to be requested</td>
<td>121.0</td>
</tr>
<tr>
<td><strong>Expected resources available at 31 March 2002</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

a ACA to be requested based on the 31 March 2002 position (to be updated).
b The investment portfolio is subject to fluctuations in income due to economic and market conditions. The amount of USD 22 million is based on a conservative potential annual rate of return of 4.5%, with a 72% probability of being attained or exceeded on the basis of the current composition of the investment portfolio.