



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Fifth Session

Rome, 22 - 23 April 2002

**REQUIREMENTS FOR THE TWENTY-THIRD DRAWDOWN OF MEMBERS'
CONTRIBUTIONS IN 2002**

1. The present document outlines provisions in the Agreement Establishing IFAD regarding drawdowns. Based on estimates of loan and grant disbursements for 2002, the document proposes a level of drawdown of Members' contributions for 2002 that also takes into account agreed arrangements with individual donors.
2. Article 4 Section 5(c) of the Agreement Establishing IFAD provides that:

"(c) Contributions to the Fund shall be made in cash or, to the extent that any part of such contributions is not needed immediately by the Fund in its operations, such part may be paid in the form of non-negotiable, irrevocable, non-interest-bearing promissory notes or obligations payable on demand. In order to finance its operations, the Fund shall draw down all contributions (regardless of the form in which they are made) as follows:

 - (i) contributions shall be drawn down on a pro rata basis over reasonable periods of time as determined by the Executive Board;
 - (ii) where a contribution is paid partly in cash, the part so paid shall be drawn down, in accordance with paragraph (i), before the rest of the contribution. Except to the extent that the part paid in cash is thus drawn down, it may be deposited or invested by the Fund to produce income to help defray its administrative and other expenditures;
 - (iii) all initial contributions, as well as any increases in them, shall be drawn down before any additional contributions are drawn down. The same rule shall apply for further additional contributions."
3. At its Seventy-First Session in December 2000, the Executive Board adopted a policy for a 100% drawdown of Members' contributions. Member States are allowed to enter into separate arrangements for individual payment schedules. Since the adoption of this policy, 22 countries have formally agreed to individual schedules.



4. The Executive Board will recall that the amount called each year is adjusted to reflect the difference between the total drawdown and the total disbursed in the previous year. Thus, as can be seen from Annex III, the excess actual encashment from the previous year, as shown in the last column, is USD 1.0 million. The projected requirement for 2002 for loan and grant disbursements amounts to USD 331.5 million. This requirement is reduced by the overdrawn amount brought forward of USD 1.0 million, resulting in a net drawdown requirement for 2002 of USD 330.5 million.

5. As at 31 December 2001, the USD equivalent of Fourth Replenishment and Fifth Replenishment instruments of contribution of all Member States was USD 342.3 million and USD 248.8 million respectively. However, the value of Fifth Replenishment contributions at 31 December 2001 excludes instruments of contributions from certain Member States that are expected to honour their pledges in the very near future. These pledges have therefore been included in order to determine the base from which contributions will be drawn down. A number of Members have not, for some time, paid calls against previous drawdowns. The Fund will make every effort to secure encashment of promissory notes and/or cash payments, as appropriate. In accordance, however, with the revised procedure for the calculation of drawdowns of Members' contributions approved by the Executive Board at its Fifty-Fifth Session in September 1995, no increase will be made in the drawdown call to cover anticipated non-payment of drawdown calls. The amount of the drawdown to meet 100% of projected loan and grant disbursements for 2002 is therefore proposed at USD 330.5 million. Taking into account the agreed schedules for individual countries, this requires drawing down the remaining 40.8% of Fourth Replenishment contributions and, in addition, 61.0% of Fifth Replenishment contributions. To enable Member States to process their annual budgetary requirements in a timely manner, it is proposed that, unlike in previous years, no adjustment be made in the percentage for Fifth Replenishment contributions due to movements in the exchange rates used in this document, i.e. those prevailing at 31 December 2001 and those applicable at the time of the actual drawdown call in May 2002.

6. For the information of the Executive Board, an estimate of future disbursements and expected drawdowns based on exchange rates as at 31 December 2001 is shown in Annex I.

7. Annex II provides a list of drawdown calls unpaid by Members in provision and/or exclusion status as at 31 December 2001.

8. Annex III shows the cumulative approved drawdowns, the amounts called and the actual drawdown and disbursements from 1978 to 2001.

Recommendation

9. Upon concluding its consideration of this item, the Executive Board may wish to adopt the following decision:

The Executive Board, in accordance with Article 4, Section 5(c), of the Agreement Establishing IFAD and Regulation V of the Financial Regulations of IFAD, approves the drawdown of Members' contributions up to an amount of USD 330.5 million in May 2002 to meet loan and grant disbursements for 2002, to the extent possible, by receiving payments by drawing down from the contributions to the Fourth and Fifth Replenishments, or as may be stipulated in agreements with individual Members, and the Executive Board authorizes the President to proceed accordingly.

ANNEX I

ESTIMATES OF FUTURE DRAWDOWNS¹
 (As at 31 December 2001)

| TOTAL POSITION | | | |
|---|-------------------|-------------|-------------|
| | 2001 | 2002 | 2003 |
| Cumulative percentages drawn down to 31 December | | | |
| - Third Replenishment | 100.0 | | |
| - Fourth Replenishment | 59.2 ² | 100.0 | |
| - Fifth Replenishment | | 61.0 | 100.0 |
| Estimate of future drawdown in year (percentage) | | | |
| - Third Replenishment | 17.4 | | |
| - Fourth Replenishment | 59.2 | 40.8 | |
| - Fifth Replenishment | | 61.0 | 39.0 |
| Based on: (USD million) | | | |
| - Actual disbursements | | | |
| - Projected disbursements ³ | 312.3 | 331.5 | 343.9 |
| Current value of Members' contributions | | | |
| - Third Replenishment | 551.7 | | |
| - Fourth Replenishment | 342.3 | 342.3 | 342.3 |
| - Fifth Replenishment ⁴ | 248.8 | 248.8 | 248.8 |

1. These estimates are based on exchange rates prevailing at 31 December 2001. Future movements in exchange rates will impact, *inter alia*, the projected disbursements and the value of Members' contributions at the time of the drawdowns. The estimates also assume that the projected disbursement figure will be attained and that there will be no amount carried forward from 2002 into 2003.
2. Due to changes in exchange rates between the estimates and the rates prevailing at the time of the drawdown, these figures have been revised from those reported in document EB 2001/72/R.8, which had estimated a drawdown of 55.9% of the then value of Fourth Replenishment contributions of USD 554.3 million.
3. Projected disbursements are based on loan and grant disbursements for the years 2002 and 2003 using a Programme of Work maintained at the 2002 Programme of Work level and based on the exchange rate ruling at 31 December 2001 of Special Drawing Rights (SDR) 1.25673/USD 1.
4. The value of Fifth Replenishment contributions as at 31 December 2001 excludes instruments of contribution from certain Member States that are expected to honour their pledges in the very near future; these pledges have therefore been included in order to determine the base from which contributions will be drawn down, namely USD 397.7 million.

ANNEX II

**SUMMARY OF CALLS UNPAID BY MEMBERS IN PROVISION/
EXCLUSION STATUS**

As at 31 December 2001
(Expressed in USD)

| Source | Drawdown Number | Country | Date | Unpaid Call | Total per Drawdown | Total per Replenishment |
|---|------------------|---------|--------------|------------------|--------------------|-------------------------|
| Initial contributions | 2 nd | Iran | 1/81 | 6 102 000 | 6 102 000 | |
| | 3 rd | Iran | 1/82 | 14 624 430 | 14 624 430 | |
| | 4 th | Iran | 1/83 | 19 443 070 | | |
| | 5 th | Iraq | 1/83 | <u>2 116 800</u> | 21 559 870 | |
| | | | 9/83 | 5 177 125 | | |
| | 6 th | Iraq | 9/83 | <u>830 000</u> | 6 007 125 | |
| | | | 1/84 | 15 431 575 | | |
| | | | 7/84 | 13 972 000 | | |
| | | | 1/84 | 2 474 000 | | |
| | | | 7/84 | <u>2 240 000</u> | 34 117 575 | |
| | 7 th | Iran | 1/85 | 21 369 675 | | |
| | | | 7/85 | 16 404 625 | | |
| | | | 1/85 | 3 426 000 | | |
| 7/85 | | | 2 630 000 | | | |
| | | Comoros | | <u>7 000</u> | 43 855 300 | |
| Total Initial Contributions | | | | | | 126 248 300 |
| First Replenishment contributions | 8 th | Iraq | 1/86 | 4 695 950 | 8 552 388 | |
| | | | 7/86 | 3 762 978 | | |
| | 9 th | Qatar | 7/86 | <u>93 460</u> | | |
| | | | 1/87 | 3 980 672 | | |
| | | | 7/87 | 2 239 128 | | |
| | 10 th | Qatar | 1/87 | 1 789 440 | 9 015 800 | |
| | | | 7/87 | <u>1 006 560</u> | | |
| | | | 1/88 | 2 969 955 | | |
| | 11 th | Iraq | 7/88 | 2 789 580 | 8 348 631 | |
| | | | 1/88 | 1 335 090 | | |
| | | | 7/88 | <u>1 254 006</u> | | |
| | 12 th | Iraq | 1/89 | 3 192 312 | 8 781 389 | |
| | | | 7/89 | 2 865 773 | | |
| | | | 1/89 | 1 435 047 | | |
| | | | 7/89 | <u>1 288 257</u> | | |
| 12 th | Iraq | 1/90 | 3 078 801 | 6 671 692 | | |
| | | 7/90 | 1 523 851 | | | |
| | | 1/90 | 1 384 020 | | | |
| | | Qatar | 7/90 | <u>685 020</u> | | |
| Total First Replenishment contributions | | | | | | 41 369 900 |
| Second Replenishment contributions | 12 th | Iraq | 7/90 | 155 200 | 543 200 | |
| | 13 th | Qatar | 7/90 | <u>388 000</u> | | |
| | | | 1/91 | 331 000 | | |
| | | | 7/91 | 185 200 | | |
| | 14 th | Qatar | 1/91 | 827 500 | 1 806 700 | |
| | | | 7/91 | 463 000 | | |
| | | | 1/92 | 323 600 | | |
| | | | 7/92 | 156 400 | | |
| | 15 th | Qatar | 1/92 | 809 000 | 1 680 000 | |
| | | | 7/92 | <u>391 000</u> | | |
| | | | 1/94 | 424 400 | | |
| | 16 th | Iraq | 1/94 | 1 061 000 | 1 538 590 | |
| | | | 5/95 | <u>53 190</u> | | |
| | 17 th | Iraq | 5/95 | 250 400 | 1 064 200 | |
| | | | 5/95 | 626 000 | | |
| | | | 5/95 | <u>187 800</u> | | |
| | | | 5/96 | 173 800 | | |
| 5/96 | | | 434 500 | | | |
| 17 th | Qatar | 5/96 | 130 350 | 740 822 | | |
| | | 5/96 | <u>2 172</u> | | | |
| Total Second Replenishment contributions | | | | | | 7 373 512 |



INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

ANNEX II

| Source | Drawdown Number | Country | Date | Unpaid Call | Total per Drawdown | Total per Replenishment |
|--|------------------------|------------------------|--------------|------------------|--------------------|-------------------------|
| Third Replenishment contributions | 17 th | D.P.R. Korea | 5/96 | 23 100 | 678 948 | |
| | | Libyan Arab Jamahiriya | 5/96 | 616 000 | | |
| | | Mauritania | 5/96 | 963 | | |
| | | Qatar | 5/96 | 38 500 | | |
| | 18 th | Sao Tome and Principe | 5/96 | 385 | | |
| | | D.P.R. Korea | 5/97 | 97 320 | | |
| | | Libyan Arab Jamahiriya | 5/97 | 2 595 200 | | |
| | | Mauritania | 5/97 | 4 055 | | |
| | 19 th | Qatar | 5/97 | 162 200 | | |
| | | Sao Tome and Principe | 5/97 | <u>1 622</u> | | |
| | | D.P.R. Korea | 5/98 | 103 200 | | |
| | | Libyan Arab Jamahiriya | 5/98 | 2 752 000 | | |
| | 20 th | Mauritania | 5/98 | 4 300 | | |
| | | Qatar | 5/98 | 172 000 | | |
| | | Sao Tome and Principe | 5/98 | <u>1 720</u> | | |
| | | D.P.R. Korea | 5/99 | 126 180 | | |
| | 21 st | Iran | 5/99 | 732 000 | | |
| | | Libyan Arab Jamahiriya | 5/99 | 3 364 800 | | |
| | | Mauritania | 5/99 | 5 258 | | |
| | | Qatar | 5/99 | 210 300 | | |
| | 22 nd | Sao Tome and Principe | 5/99 | <u>2 103</u> | | |
| | | D.P.R. Korea | 5/00 | 145 800 | | |
| | | Iran | 5/00 | 972 000 | | |
| | | Libyan Arab Jamahiriya | 5/00 | 3 888 000 | | |
| | | Mauritania | 5/00 | 6 075 | | |
| | | Nigeria | 5/00 | 2 430 000 | | |
| | | Qatar | 5/00 | 243 000 | | |
| Sao Tome and Principe | | 5/00 | <u>2 430</u> | | | |
| | D.P.R. Korea | 5/01 | 104 400 | | | |
| | Iran | 5/01 | 696 000 | | | |
| | Libyan Arab Jamahiriya | 5/01 | 2 784 000 | | | |
| | Mauritania | 5/01 | 4 350 | | | |
| | Nigeria | 5/01 | 1 740 000 | | | |
| | Qatar | 5/01 | 174 000 | | | |
| | Sao Tome and Principe | 5/01 | <u>1 740</u> | | | |
| | | | | <u>5 504 490</u> | | |
| Total Third Replenishment contributions | | | | | | 24 205 001 |
| Fourth Replenishment contributions | 22 nd | Kenya | 5/01 | <u>569 947</u> | <u>569 947</u> | |
| Total Fourth Replenishment contributions | | | | | | 569 947 |
| Grand total calls unpaid by Members in provision/exclusion status | | | | | | 119 766 660 |

ANNEX III

SUMMARY OF DRAWDOWNS

1978-2001
(USD million)

| | Approved Drawdown | Amount Called | | Actual Drawdown | | Disbursements from Drawdowns for Year | Over(Under) Drawdown/ Disbursement Adjusted in Following Year |
|-----------------------------|--------------------|---------------|-----------------------|---------------------|------------|---------------------------------------|---|
| | | For Year | Cumulative | For Year | Cumulative | | |
| 1978 first | 100 | 100 | 100 | 100 | 100.0 | | |
| 1979 | - | - | 100 | - | 100.0 | 5.4 | |
| 1980 | - | - | 100 | - | 100.0 | 53.7 | |
| 1981 second | 50 | 50 | 150 | 44 | 144.0 | 78.6 | 6.3 |
| 1982 third | 125 | 125 | 275 | 111 | 255.0 | 110.2 | 7.1 |
| 1983 fourth and fifth | 190 | 190 | 465 | 161 | 416.0 | 156.5 | 11.6 |
| 1984 sixth | 238 | 226 | 691 | 192 | 608.0 | 211.0 | (7.4) |
| 1985 seventh | 286 | 286 | 977 | 242 | 850.0 | 216.0 | 18.6 |
| 1986 eighth | 290 | 265 | 1 242 | 249 | 1 099.0 | 231.2 | 36.4 |
| 1987 ninth | 260 | 205 | 1 447 | 192 | 1 291.0 | 218.3 | 10.1 |
| 1988 tenth | 205 | 200 | 1 647 | 188 | 1 479.0 | 200.4 | (2.3) |
| 1989 eleventh | 215 | 205 | 1 852 | 191 | 1 670.0 | 191.0 | (2.3) |
| 1990 twelfth | 207 | 200 | 2 052 | 193 | 1 863.0 | 165.6 | 25.1 |
| 1991 thirteenth | 189 | 145 | 2 197 | 142 | 2 005.0 | 158.6 | 8.5 |
| 1992 fourteenth | 186 | 138 | 2 335 | 121 ¹ | 2 125.5 | 142.1 | (13.1) |
| 1994 fifteenth ² | 233 | 115 | 2 450 | 134 ³ | 2 259.5 | 120.9 ⁴ | |
| 1995 sixteenth | 73.5 | 73.5 | 2 523.5 | 69.1 ⁵ | 2 328.6 | 58.2 ⁶ | 10.9 |
| 1996 seventeenth | 71.4 ⁷ | 71.4 | 2 594.9 | 74.3 ⁸ | 2 402.9 | 83.1 ⁹ | 2.1 |
| 1997 eighteenth | 90.8 ¹⁰ | 90.8 | 2 685.7 | 107.6 ¹¹ | 2 510.5 | 87.3 | 22.4 |
| 1998 nineteenth | 95.8 | 95.8 | 2 781.5 | 85.7 ¹² | 2 596.2 | 95.9 | 12.2 |
| 1999 twentieth | 114.0 | 114.0 | 2 895.5 | 105.9 | 2 702.1 | 105.3 ¹³ | 12.7 |
| 2000 twenty-first | 123.8 | 123.8 | 3 019.3 | 111.4 | 2 813.5 | 103.9 | 20.3 |
| 2001 twenty-second | 292.1 | 292.1 | 3 311.4 ¹⁴ | 298.2 | 3 111.6 | 317.4 | 1.0 |

1. This amount includes USD 3 303 496 received as encashment of part of the remaining balance of the First Replenishment promissory note of the United Arab Emirates. The figure assumed that amounts outstanding totalling USD 1 255 798 and relating to Mauritania and Venezuela in respect of 1992 drawdowns would be paid by the end of 1993. The amount from Venezuela was received as foreseen, whereas the amount from Mauritania was only received in 1998.
2. The Forty-Seventh Session of the Executive Board in December 1992 decided to forego any drawdown of Members' contributions in 1993. IFAD's disbursement needs in 1993 were met from the Fund's existing assets, i.e. loan repayments. The second tranche of the 1994 drawdown was suspended by the Executive Board at its Fifty-Second Session in September 1994.
3. This amount includes USD 17 438 400 received from Saudi Arabia in payment of the fourteenth drawdown and USD 4 002 464 received from the United Arab Emirates in payment of the eleventh drawdown.
4. Total disbursements for 1994 amount to USD 170.7 million. Disbursements amounting to USD 120.9 million for 1994 and the closing under-encashment of 1992 of USD 13.1 million were met from the 1994 encashment of USD 134 million. The remaining 1994 disbursements of USD 49.8 million were met from the Fund's existing resources, i.e. loan repayments.



ANNEX III

5. This amount includes USD 2 542 320 received from the United Arab Emirates in payment of the first tranche of the twelfth drawdown, and is reduced by USD 5 398 400 relating to the fifteenth and sixteenth drawdown calls of the Libyan Arab Jamahiriya, which had not been paid at that time and were in provision status from 27 January 1996 until the payment was made in 1997.
6. Total disbursements for 1995 amount to USD 166.2 million. Disbursements of USD 58.2 million were met from the 1995 encashment and the remaining USD 108 million was met from the Fund's existing resources, i.e. loan repayments.
7. The Fifty-Seventh Session of the Executive Board in April 1996 approved a drawdown of up to USD 204.1 million, and the first tranche of 35% amounting to USD 71.4 million was called in May 1996. The Fifty-Ninth Session in December 1996 called on Member States to provide the balance of 65% in the form of advance encashments and/or cash contributions.
8. This amount includes USD 6 479 261 received from the United Arab Emirates in payment of the twelfth drawdown and the first tranche of the thirteenth drawdown.
9. Total disbursements for 1996 amount to USD 237.4 million. Thirty-five per cent of disbursements, amounting to USD 83.1 million, were met from the 1996 encashment and USD 8.8 million from the closing over-encashment of 1995. The remaining USD 154.3 million was met from the Fund's existing resources, i.e. loan repayments.
10. The Sixtieth Session of the Executive Board in April 1997 approved a drawdown of USD 259.5 million, and the first tranche of 35% amounting to USD 90.8 million was called in May 1997. The second tranche of 65% was regarded as voluntary advance encashments and/or cash contributions and was called in July 1997.
11. This amount includes USD 6 788 800 received from the Libyan Arab Jamahiriya in payment of all outstanding Second Replenishment drawdowns. It also includes payment by Nigeria of its outstanding amounts against the First Replenishment. In addition, it includes USD 3 709 100 from Qatar against the eighth drawdown. It also includes USD 3 512 200 paid in 1997 by the United Arab Emirates in settlement of the thirteenth to sixteenth drawdowns and partial payment of the seventeenth drawdown.
12. This amount includes USD 22 828 received from Mauritania in settlement of the fourteenth to sixteenth drawdowns.
13. Total disbursements for 2001 amounted to USD 317.4 million. Disbursements amounting to USD 298.2 million were met from the 2001 encashments and USD 19.2 million from the closing over-encashment of 2000.
14. The difference between the cumulative "amount called" and the cumulative "actual drawdown" represents unpaid calls that have remained outstanding as detailed in Annex II. This includes USD 2 103 000 received from Nigeria following the 2000 year-end, in payment of its outstanding amounts relating to the twentieth drawdown, USD 9 428 121 received from Venezuela in payment of its outstanding amounts relating to the twentieth and twenty-first drawdowns and USD 600 000 received from Iran in partial payment of its Third Replenishment contributions.