



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

Rome, 10-11 December 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 at 30 September 2002.
2. As shown in Attachment I, based on 30 September 2002 exchange rates, the net resources available for commitment as at 30 September 2002 stood at USD 0.
3. Details on Member States' contributions specifically excluded from committable resources as at 30 September 2002 are provided in Attachment II.
4. The Executive Board is informed that, subsequent to 30 September 2002, payments from the Libyan Arab Jamahiriya have been received totalling USD 3.5 million. These payments relate to overdue Third Replenishment contributions in provision status, in addition to the USD 1.0 million already paid in September 2002. An amount of USD 1.2 million was also received from Nigeria as partial payment of the overdue balance for Third Replenishment contributions. As a result of this payment, Nigeria is no longer in exclusion status as at 31 October 2002. The corresponding additional committable resources as a result of these payments is USD 6.5 million.
5. Attachment III gives details on loans and grants approved by the Executive Board at its Seventy-Fifth Session in April 2002 and Seventy-Sixth Session in September 2002.
6. Attachment IV gives information on the loans and grants presented to the current session of the Executive Board, amounting to approximately 143.9 million Special Drawing Rights (SDR). Based on exchange rates in force as at 30 September 2002, such loans and grants amount to some USD 190.4 million.
7. To provide the Board with up-to-date information on the Fund's resource situation, Attachment V presents estimated data up to the end of 2002. It is calculated that net inflows received from October to December 2002 will total USD 102.3 million. In accordance with the procedures



governing the use of the advance commitment authority (ACA), these net inflows will be used to cover the ACA authorized to date.

8. Attachment V also shows commitments under and use of the ACA during 2002. It provides further analysis of net flows during the period in which the ACA has been used, as requested by the Executive Board at its Seventy-Fifth Session.

9. Given that the resources available for commitment as at 30 September 2002 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 and its Ceiling**

10. The Governing Council authorized the use of the ACA 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.

11. When the ACA scheme was adopted for the Fourth Replenishment, the maximum amount that could be made available through the ACA during that replenishment period was set at USD 450 million. This was equivalent to three years of reflows at the time.

12. 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. Under the terms of the resolution, the Executive Board is responsible for establishing the cumulative resource level available under the ACA.

13. The procedures for the use of the ACA during the Fifth Replenishment period, which runs from 20 February 2001 to 19 February 2004, are set out in document GC 24/Res.119/XXIV/Rev.1. These procedures give the Executive Board the authority to decide the maximum amount available through the ACA during the replenishment period. Although the Executive Board has not taken a formal decision in this respect, the underlying assumption for the ACA ceiling is that of the Fourth Replenishment, that is three years of reflows. Based on loan reflow estimates, this would indicate a ceiling of approximately USD 540.0 million. As may be seen in Attachment V, the level of ACA carried forward as at 30 September 2002 is USD 209.6 million. Taking into account the loans and grants, totalling USD 190.4 million, being presented for approval at this Executive Board session and the expected reflows until the end of 2002, this will mean a carry-forward ACA figure as at 31 December 2002 of USD 298.0 million, as compared to the USD 299.0 million projected in the Programme of Work and Administrative Budget of IFAD for 2002 (EB 2001/74/R.7/Rev.1). The final figure will, of course, depend on the net reflows received by the end of the year, in particular replenishment contributions.



### **Recommendation**

14. Based on the resource position as at 30 September 2002, 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 190.4 million due to resources available for commitment of USD 0 and of loans and grants presented for approval amounting to USD 190.4 million, approves the use of an additional USD 190.4 million under the ACA, and accordingly authorizes the President to conclude agreements for loans and grants approved by the Executive Board at its Seventy-Seventh Session in December 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  
30 SEPTEMBER 2002**

(USD '000)

<b>Assets in freely convertible currencies</b>		
Cash	333 572	
Investments	2 059 725	
Promissory notes – Member States	287 748	
Other receivables	<u>124 357</u>	<b>2 805 402</b>
<b>Less</b>		
Payables and accrued liabilities		(490 853)
General Reserve		(95 000)
Undisbursed effective loans	(1 704 011)	
Approved loans signed but not yet effective	(368 634)	
Undisbursed grants	<u>(44 039)</u>	(2 116 684)
Drawdowns on promissory notes that have not been paid (see Attachment II)		<u>(104 814)</u>
		<b>(2 807 351)</b>
<b>Resources available for commitment</b>		<b>(1 949)</b>
<b>Less</b>		
Loans not yet signed		(189 674)
Grants not yet signed		(18 021)
<b>Net resources available for commitment before ACA</b>		<b><u>(209 644)</u></b>
<b>ACA carried forward at 1 January 2002</b>	<b>153 691</b>	
<b>ACA approved at the Seventy-Fifth Session</b>	<b>106 200</b>	
<b>ACA approved at the Seventy-Sixth Session</b>	<b><u>105 700</u></b>	<b>365 591</b>
<b>Less:</b>		
ACA reversed in 2002 to date		<b><u>(155 947)</u></b>
<b>ACA carried forward</b>		<b><u>209 644</u></b>
<b>Net resources available for commitment</b>		<b><u>0</u></b>

**RESOURCES AVAILABLE FOR COMMITMENT  
UNDER THE REGULAR PROGRAMME  
AS AT 30 SEPTEMBER 2002**Amounts Specifically Excluded  
(USD '000)**IFAD Regular Programme****Drawdowns on Initial Contribution****promissory notes that have not been paid**

Iran 29 358

Iraq 13 717

43 075

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

Iraq 31 099

Qatar 7 017

38 116

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

Qatar 5 000

Mauritania 2

5 002

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

D.P.R. Korea 600

Libyan Arab Jamahiriya 15 031

Mauritania 25

Nigeria 2 955

18 611

**Special Programme for Sub-Saharan  
African Countries Affected by Drought  
and Desertification****Drawdowns on First Phase****promissory notes that have not been paid**Mauritania 10**Total specifically excluded****104 814**



## ATTACHMENT III

**LOANS AND GRANTS  
APPROVED AT THE SEVENTY-FIFTH AND  
SEVENTY-SIXTH SESSIONS OF THE EXECUTIVE BOARD IN 2002**

LOANS				
<b>SEVENTY-FIFTH SESSION</b>				
Country	Date of Approval by the Executive Board	Loan No.	Project Title	SDR
Cameroon	23 04 2002	583-CM	Community Development Support Project	9 500 000
Egypt	23 04 2002	582-EG	West Noubaria Rural Development Project	14 600 000
Eritrea	23 04 2002	584-ER	Gash Barka Livestock and Agricultural Development Project	8 100 000
Haiti	23 04 2002	587-HT	Productive Initiatives Support Programme in Rural Areas	17 400 000
India	23 04 2002	585-IN	Orissa Tribal Empowerment and Livelihoods Programme	16 050 000
Laos	23 04 2002	586-LA	Oudomxai Community Initiatives Support Project	10 800 000
<b>Subtotal</b>				<b>76 450 000</b>
<b>SEVENTY-SIXTH SESSION</b>				
Country	Date of Approval by the Executive Board	Loan No.	Project Title	SDR
Ghana	05 09 2002	588-GH	Rural Enterprises Project – Phase II	8 500 000
Guinea	05 09 2002	589-GN	Sustainable Agriculture Development Project in the Forest Region	9 400 000
Mauritania	05 09 2002	590-MR	Maghama Improved Flood Recession Farming Project – Phase II	7 600 000
Mongolia	05 09 2002	592-MN	Rural Poverty-Reduction Programme	11 200 000
Tunisia	05 09 2002	593-TN	Agropastoral Development and Local Initiatives Promotion Programme for the South-East	14 100 000
Uganda	05 09 2002	591-UG	Rural Financial Services Programme	13 900 000
Yemen	05 09 2002	594-YE	Dhamar Participatory Rural Development Project	10 900 000
<b>Subtotal</b>				<b>75 600 000</b>
<b>Total loans approved by the Executive Board to date in 2002</b>				<b>152 050 000</b>



## INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

## ATTACHMENT III

<b>GRANTS</b>			
<b>SEVENTY-FIFTH SESSION</b>			
<b>Institution</b>	<b>Title</b>	<b>TA Grant No.</b>	<b>SDR Equivalent</b>
CCD	Grant to the Global Mechanism of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (CCD) to Support the Development and Implementation of Action Programmes and Related Initiatives – Second Instalment	581-GM	1 002 478
Food and Agriculture Organization of the United Nations (FAO)	Marine Resources Management Programme in the Red Sea	579-FAO	801 982
FAO	Rural Knowledge Network Pilot Project for East Africa	580-FAO	1 202 974
International Center for Agricultural Research in the Dry Areas (ICARDA)	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	578-ICARDA	938 319
International Development Research Centre (IDRC)	Programme for Electronic Networking for Rural Asia/Pacific (ENRAP) Projects – Phase II	582-IDRC	801 982
Inter-American Institute for Cooperation on Agriculture (IICA)	Rural Microenterprise Support Programme in Latin America and the Caribbean (PROMER) – Phase II	584-IICA	470 764
International Farming Systems Research Methodology Network (RIMISP)	FIDAMERICA Network – Phase III	583-RIMISP	732 210
<b>Subtotal</b>			<b>5 950 709</b>
<b>SEVENTY-SIXTH SESSION</b>			
<b>Institution/Country</b>	<b>Title</b>	<b>TA Grant No.</b>	<b>SDR Equivalent</b>
International Centre for Tropical Agriculture (CIAT)	Programme for Integrated Upland Agriculture Development Using Participatory Approaches in China, Laos and Viet Nam	607-CIAT	1 100 887
Gaza and the West Bank	Rehabilitation and Development Project in Gaza and the West Bank	610-GAZA	2 277 697
International Livestock Research Institute (ILRI)	Programme for Small-Ruminant Health – Improved Livelihood and Market Opportunities for Poor Farmers in the Near East and North Africa Region	608-ILRI	835 155
Popular Coalition to Eradicate Hunger and Poverty	Technical Assistance Grant to the Popular Coalition to Eradicate Hunger and Poverty in Support of its Global Programmes, Activities and Services	609-PCEHP	455 539
<b>Subtotal</b>			<b>4 669 278</b>
<b>Total grants approved by the Executive Board to date in 2002</b>			<b>10 619 987</b>
<b>Total loans and grants approved by the Executive Board to date in 2002</b>			<b>162 669 987*</b>

\* Equivalent to approximately USD 211.9 million based on the exchange rates ruling on 31 March and 26 August 2002 for the Seventy-Fifth and Seventy-Sixth Sessions respectively.





## ATTACHMENT IV

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

<b>PROPOSED LOANS</b>			
<b>Country</b>	<b>Project Title</b>	<b>USD (Equivalent)<sup>1</sup></b>	<b>SDR (Equivalent)<sup>1</sup></b>
China	Environment Conservation and Poverty-Reduction Programme in Ningxia and Shanxi	28 600 000	21 622 602
Comoros	National Programme for Sustainable Human Development	15 000 000	11 340 526
Djibouti	Microfinance and Microenterprise Development Project	3 500 000	2 646 123
Dominican Republic	Social and Economic Development Programme for Vulnerable Populations in the Border Region	14 000 000	10 584 491
Egypt	Matruh Resource Management Project - Phase II	12 700 000	9 601 645
Indonesia	East Kalimantan Local Communities Empowerment Programme	19 960 000	15 090 459
Kenya	Mount Kenya East Pilot Project for Natural Resource Management	16 800 000	12 701 389
Niger	Aguié Local Initiative Promotion Project	10 000 000	7 560 350
Nigeria	Community-Based Natural Resources Management Programme – Niger Delta	15 000 000	11 340 526
Peru	Market Strengthening and Livelihood Diversification in the Southern Highlands Project	16 000 000	12 096 561
Rwanda	Smallholder Cash and Export Crops Development Project	16 269 087	12 300 000
Syria	Idleb Agricultural Development Project	17 591 777	13 300 000
<b>Subtotal</b>		<b>185 420 864</b>	<b>140 184 672</b>
<b>PROPOSED GRANTS</b>			
<b>Institution</b>	<b>Title</b>	<b>USD</b>	<b>SDR (Equivalent)<sup>1</sup></b>
International Rice Research Institute (IRRI)/ International Centre for Maize and Wheat Improvement (CIMMYT)/ International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)	Accelerating Technology Adoption to Improve Rural Livelihoods on the Rainfed Eastern Gangetic Plains	1 500 000	1 134 053
United Nations Office for Project Services (UNOPS)	FIDAFRIQUE II Programme: Creating a Regional Information Network in Western and Central Africa	1 500 000	1 134 053
International Food Policy Research Institute (IFPRI)	Empowering the Rural Poor under Volatile Policy Environments in the Near East and North Africa Region	931 000	703 868
International Institute of Tropical Agriculture (IITA)	Programme for Development and Application of Sustainable Technologies for the Management of Cassava Pests and Diseases in Sub-Saharan Africa	1 000 000	756 035
<b>Subtotal</b>		<b>4 931 000</b>	<b>3 728 009</b>
<b>Total</b>		<b>190 351 864</b>	<b>143 912 681</b>

<sup>1</sup> Using the 30 September 2002 USD/SDR exchange rate of 1.32269, based on the actual SDR amounts for loans already negotiated and USD amounts for loans not negotiated to date and USD for grants.



ATTACHMENT V

<b>2001 ACTUAL, 2002 ACTUAL (FIRST NINE MONTHS) AND ESTIMATE UP TO YEAR END</b>			
	(USD million)		
	2001 Actual April to December	2002 Actual January to September	2002 Estimated October to December
<b>1) Resources available at start of period</b>	<b>15.0</b>	<b>0</b>	<b>0</b>
Proposed loans and grants (EB 72/73/74)	420.1	-	-
Proposed loans and grants (EB 75/76)		211.9	190.4
<b>2) ACA approved by EB</b>	<b>375.5</b>	<b>211.9</b>	<b>190.4</b>
<b>Analysis of flows</b>			
Loan reflows	127.0	122.7	42.3
Loan cancellations	29.1	9.5	40.5
Members' contributions	124.4	83.4	26.5
Investment income/(loss)	17.6	(11.1)	25.4
	298.1	204.5	134.7
Operating expenses, ASMC, SCP	(38.5)	(36.8)	(17.4)
PDFFF expenses	-	(6.7)	(19.8)
Debt Initiative for HIPC's transfers	(4.0)	(14.0)	-
	(42.5)	(57.5)	(37.2)
Net exchange rate movements	(7.8)	6.1	-
Release of contributions excluded	9.8	5.4	4.8
	2.0	11.5	4.8
<b>3) Total net flows</b>	<b>257.6</b>	<b>158.5</b>	<b>102.3</b>
<b>4) Loan and grant commitments <sup>2</sup></b>	<b>(426.3)</b>	<b>(214.5)</b>	<b>190.7</b>
<b>5) ACA covered from flows in period</b>	<b>(221.8)</b>	<b>(155.9)</b>	<b>(102.0)</b>
<b>Resources available at end of period (=1)+2)+3)-4)-5))</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ACA carried forward</b>			
Relating to EB 73	-		
Relating to EB 74	153.7	-	-
Relating to EB 75	-	103.9	1.9
Relating to EB 76		105.7	105.7
Subtotal	153.7	209.6	107.6
Relating to EB 77	-	-	190.4
<b>6) Total (=2)-5)+6) prior period)</b>	<b>153.7</b>	<b>209.6</b>	<b>298.0</b>

ASMC = After-Service Medical Coverage  
HIPC = Heavily Indebted Poor Country  
PDFFF = Programme Development Financing Facility  
SCP = Strategic Change Programme

<sup>2</sup> These commitments also include grants approved directly by the President.

