

a

IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Eighty-Sixth Session
Rome, 12-13 December 2005

**PROGRAMME OF WORK AND BUDGET OF IFAD AND ITS
OFFICE OF EVALUATION FOR 2006**

1. In the context of the global effort to achieve the Millennium Development Goals, IFAD will seek to increase the volume of its assistance to developing countries while enhancing the quality of that assistance. In this regard, the Fund will ensure that increases in the volume of assistance will be delivered in a number of projects compatible with its capacities and with the resources available under the administrative budget and the Programme Development Financing Facility (PDFF). It will also take into account the need to contain administrative costs (including PDFF) totalling USD 91.5 million within the envelope of an administrative cost – programme of work ratio.
2. Correspondingly, IFAD will, in 2006: increase its programme of work by 10%; present 32 projects for approval by the Executive Board; and maintain the ratio between administrative costs (including PDFF) and the programme of work at the level projected for 2005 (i.e. 17.1% - where the consolidated administrative costs (including PDFF) for 2005 amounted to USD 83.3 million).
3. In accordance with Article 6, Section 10, of the Agreement Establishing IFAD and Regulation VI of the Financial Regulations of IFAD, it is recommended that the Executive Board:
 - approve the programme of work for 2006 at a level of SDR 379.5 million (USD 550 million), which comprises a gross grant programme of USD 55 million and a lending programme of SDR 341.54 million (USD 495 million). The proposed grant programme is made up of USD 13.5 million transferred to the PDFF, a country-window grant programme of USD 14.0 million and a global/regional-window programme of USD 27.5 million. It is proposed that this programme of work level be approved only for planning purposes and that it be adjusted during 2006 in accordance with the level of resources available;
 - approve the total PDFF in the amount of USD 30.4 million for 2006;
 - authorize the President to submit to the Twenty-Ninth Session of the Governing Council, firstly the Administrative Budget of IFAD for 2006 in the amount of USD 61.1 million plus USD 0.40 million to cover one-time costs and, secondly, the Administrative Budget of IFAD's Office of Evaluation for 2006 in the amount of USD 4.79 million.

