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Enabling the rural poor
to overcome poverty

Resources available for commitment

Addendum

Executive Board — Ninetieth Session
Rome, 17-18 April 2007

For: **Approval**

Note to Executive Board Directors

This document is submitted for approval by the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

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Recommendation for approval

Based on the estimated resources position as at March 2007, the Executive Board is requested to approve the use of the advance commitment (ACA) authority as follows:

The Executive Board, in accordance with paragraph III.17 of Governing Council Resolution 141/XXIX/Rev.1, noting the present shortfall in resources of an estimated US\$23.7 million due to estimated net inflows for the three-month period to 31 March 2007 amounting to US\$108.4 million and the loans and grants presented for approval amounting to US\$132.1 million, approves the use of an additional US\$23.7 million under the ACA. Accordingly, the Executive Board authorizes the President to conclude agreements for loans and grants approved by the Executive Board at its ninetieth session in April 2007. In addition, the Board requests the President to report to the Executive Board at its next and subsequent sessions on the use of ACA and the resources available for commitment.

Resources available for commitment

Addendum

1. For the information of the Executive Board, and as stated in document EB 2007/90/R.9, Management has prepared an update of the estimated resources available for commitment under IFAD's Regular Programme. The aforementioned document had estimated an additional advance commitment authority (ACA) requirement of US\$26.3 million. As a result of the postponement of one project (Guinea-Bissau) originally scheduled to be approved at this Board session, as well as minor variances in the estimated net inflows, the ACA being requested at this session now stands at US\$23.7 million.
2. Attachment II shows estimated total net resource inflows from 1 January to 31 March 2007 of US\$108.4 million. Loan and grant commitments proposed to the current session of the Board total US\$132.1 million. Taking into account these net flows and commitments, the ACA being requested at this session of the Executive Board is US\$23.7 million.

Proposed loans and grants presented for approval at the ninetieth session of the Executive Board

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>U.S. dollar (equivalent)^a</i>	<i>SDR (equivalent)^a</i>
Proposed loans			
Ethiopia	Participatory Small-scale Irrigation Development Programme	20 092 177	13 300 000
Kenya	Smallholder Horticulture Marketing Programme	23 566 764	15 600 000
Syrian Arabic Republic	North-eastern Region Rural Development Project	20 213 032	13 380 000
Total		63 871 973	42 280 000
Proposed grants under the Debt Sustainability Framework (DSF)			
Burundi	Livestock Sector Rehabilitation Support Project	14 049 417	9 300 000
Cambodia	Rural Livelihoods Improvement Project in Kratie, Preah Vihear and Ratanakiri	9 668 416	6 400 000
Comoros	National Programme for Sustainable Human Development	4 758 673	3 150 000
Ethiopia	Participatory Small-scale Irrigation Development Programme	20 092 177	13 300 000
Sierra Leone	Rural Finance and Community Improvement Programme	8 988 606	5 950 000
Total		57 557 289	38 100 000
Proposed grants			
FECOPROD	Grant under the country-specific grants window to the Federation of Production Cooperatives (FECOPROD): Networking for rural finance in Paraguay	680 000	452 125
Kenya	Smallholder Horticulture Marketing Programme	506 081	335 000
ICARDA	Technology transfer for Natural Resource Management in Arabian Peninsula	1 500 000	992 924
ICRAF	Pro-poor rewards for environmental services (PRESA)	1 000 000	661 949
ICRSAT	Harnessing potential of legumes: economics & knowledge empowerment in Asia	1 400 000	926 728
IDRC	Knowledge Networking for Asia & Pacific (ENRAP)	1 085 000	718 215
IRRI/WARDA	Alleviating Rural Poverty through Improving Rice Production	1 500 000	992 924
ISRIC	Green Water Credits	1 500 000	992 924
SECAB	Regional Programme for Rural African descent populations in Latin America	1 500 000	992 924
Total		10 671 081	7 063 713
Grand total		132 100 343	87 443 713

^a Using the 31 March 2007 US\$/SDR exchange rate of 1.51069 based on the SDR amount for loans/DSF grants already negotiated and associated grants and on the United States dollar amount for other grants.

Analysis of use of advance commitment authority

	<i>Millions of United States dollars</i>					
	2001	2002	2003	2004	2005	2006
ACA carry-forward at start of year	-	153.7	277.8	331.1	136.8	296.0
Net ACA use/(cover)	153.7	124.1	53.3	(194.3)	159.2	157.3
ACA carry-forward at end of year/ period	153.7	277.8	331.1	136.8	296.0	453.3

	<i>Millions of United States dollars</i>	
	<i>January to December 2006^a</i>	<i>Estimated January to March 2007</i>
1. Resources available at start of period	0	0
Analysis of flows		
Loan reflows	192.9	54.7
Loan and grant cancellations	98.9	8.9
Members' contributions	240.0	77.1
HIPC Debt Initiative contributions ^b	8.6	-
HIPC Debt Initiative transfer to Trust Fund	(10.0)	(10.0)
Net investment income	57.9	23.2
Net exchange rate movements	(36.5)	-
Operating expenses, ASMCS, Action Plan, PDFF ^b	(111.2)	(26.7)
HIPC Debt Initiative loan payments	(34.6)	(18.8)
2. Total net inflows	406.0	108.4
3. ACA approved by the Executive Board in the year	181.6	-
4. ACA to be approved for EB 90^b	-	23.7
5. Loan and grant commitments	(563.3)	(132.1)
6. ACA covered from flows in the period	(24.3)	-
Resources available at end of period (=1+2+3+4+5+6)	0	0
7. ACA brought forward (= prior period)	296.0	453.3
8. ACA carried forward (=3+6+7)	453.3	453.3

^a Based on actual results for the year to 31 December 2006.

^b ASMCS = After-Service Medical Coverage Scheme
 PDFF = Programme Development Financing Facility
 HIPC = Heavily Indebted Poor Countries
 EB 90 = Ninetieth session of the Executive Board (April 2007)