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Enabling poor rural people
to overcome poverty

Resources available for commitment

Addendum

Executive Board — Ninety-eighth Session
Rome, 15-17 December 2009

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:

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Recommendation for approval

The Executive Board is invited to approve the recommendation on the use of advance commitment authority as contained in paragraph 3.

Resources available for commitment

Addendum

1. For the information of the Executive Board, and as stated in document EB 2009/98/R.23, 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\$173.2 million. Taking into account an increase in the estimated net inflows for the 12-month period, the ACA now being requested at this session is US\$13.5 million. The increase in the estimated net inflows is due primarily to US\$106.4 million of contributions, US\$41.0 million of loan reflows and US\$9.2 million of investment income, partially offset by additional outflows of US\$22.5 million for operating expenditures.
2. Attachment II shows estimated total net resource inflows from 1 January to 31 December 2009 of US\$639.5 million. Loan and grant commitments proposed to the current session of the Board total US\$287.7 million. Taking into account these net flows and commitments, as well as loans and grants already approved of US\$441.8 million, and ACA already approved at the April session of US\$76.5 million, additional ACA of US\$13.5 million needs to be approved at this session of the Executive Board.

Recommendation

3. The Executive Board, having regard to article 7, section 2(b) of the Agreement Establishing IFAD and in accordance with paragraph III.17 of Governing Council resolution 141/XXIX/Rev.1, is therefore invited to note the present shortfall in resources in the period of an estimated US\$13.5 million due to estimated net inflows for the period January to December 2009 amounting to US\$639.5 million, the loans and grants presented for approval amounting to US\$287.7 million, and the loans and grants already approved of US\$441.8 million and ACA already approved at the April session of US\$76.5 million. As a result, additional ACA of US\$13.5 million is now being requested.

Proposal of loans and grants to be approved at the ninety-eighth session of the Executive Board

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR</i>
Proposed loans			
Bolivia (Plurinational State of)	Plan VIDA-PEEP to eradicate extreme poverty – Phase I: Pilot Project to Strengthen the Capacity of Communities and Families Living in Extreme Poverty in Cochabamba and Potosí	8 127 470	5 050 000
Brazil	Cariri and Seridó Sustainable Development Project (PROCASE)	25 026 170	15 550 000
Cambodia	Tonle Sap Poverty Reduction and Smallholder Development Project	6 839 950	4 250 000
Ecuador	Ibarra-San Lorenzo Development Project – Supplementary loan	4 264 910	2 650 000
Egypt	On-farm Irrigation Development Project in the Oldlands	47 638 240	29 600 000
Georgia	Agricultural Support Project	8 610 290	5 350 000
India	North Eastern Region Community Resource Management Project – Supplementary loan	20 278 440	12 600 000
Kyrgyzstan	Forestry and Carbon Trading Project	4 103 970	2 550 000
Madagascar	Project to Support Development in the Menabe and Melaky Regions – Supplementary loan	5 166 174	3 210 000
Nepal	High-Value Agriculture Project in Hill and Mountain Areas	7 644 650	4 750 000
Peru	Market Strengthening and Livelihood Diversification in the Southern Highlands Project – Supplementary loan	8 368 880	5 200 000
Sri Lanka	National Agribusiness Development Programme	25 026 170	15 550 000
Turkey	Ardahan-Kars-Artvin Development Project	19 441 552	12 080 000
Total		190 536 866	118 390 000
Proposed Debt Sustainability Framework (DSF) grants			
Cambodia	Tonle Sap Poverty Reduction and Smallholder Development Project	6 839 950	4 250 000
Côte d'Ivoire	Agricultural Rehabilitation and Poverty Reduction Project	10 139 220	6 300 000
Eritrea	Post-crisis Rural Recovery and Development Programme – Supplementary grant	8 224 034	5 110 000
Gambia (The)	Livestock and Horticulture Development Project	8 127 470	5 050 000
Kyrgyzstan	Forestry and Carbon Trading Project	4 103 970	2 550 000
Liberia	Agriculture Sector Rehabilitation Project	5 069 610	3 150 000
Nepal	High-Value Agriculture Project in Hill and Mountain Areas	7 644 650	4 750 000
Rwanda	Kirehe Community-Based Watershed Management Project – Supplementary grant	6 357 130	3 950 000
Rwanda	Support Project for the Strategic Plan for the Transformation of Agriculture – Supplementary grant	3 170 518	1 970 000
Sudan	Rural Access Project	13 197 080	8 200 000
Yemen	Dhamar Participatory Rural Development Project – Supplementary grant	7 499 804	4 660 000
Total		80 373 436	49 940 000

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$^a</i>	<i>SDR</i>
Proposed grants			
Egypt	On-farm Irrigation Development Project in the Oldlands	1 013 922	630 000
Georgia	Agricultural Support Project	209 222	130 000
Peru	Market Strengthening and Livelihood Diversification in the Southern Highlands Project – Supplementary grant	337 974	210 000
International Water Management Institute	Programme for Improved Management of Agricultural Water in Eastern and Southern Africa, Phase II	1 500 000	932 024
Eastern African Farmers' Federation (EAFF), Subregional Platform for Farmers' Organizations of Central Africa (PROPAC), Network of Farmers' Organizations and Agricultural Producers in West Africa (ROPPA), Southern African Confederation of Agricultural Unions (SACAU)	Support to Farmers' Organizations in Africa Programme	1 500 000	932 024
Food and Agriculture Organization of the United Nations (FAO)	Programme for the Development of Knowledge-sharing Skills	950 000	590 282
Food and Agriculture Organization of the United Nations (FAO)	Food Security and Sustainable Livelihoods Programme in Pacific Island Countries	1 500 000	932 024
Food and Agriculture Organization of the United Nations (FAO)	Support for Formulating Voluntary Guidelines on Responsible Governance of Tenure of Land and Other Natural Resources Programme	1 364 000	847 520
International Center for Biosaline Agriculture (ICBA)	Adaptation to Climate Change in Marginal Environments in West Asia and North Africa through Sustainable Crop and Livestock Diversification	1 400 000	869 889
International Fertilizer Development Center (IFDC)	Mainstreaming Pro-Poor Fertilizer Access and Innovative Practices in West Africa	1 500 000	932 025
International Network for Bamboo and Rattan (INBAR)	Mainstreaming Pro-Poor Livelihoods and Addressing Environmental Degradation with Bamboo in Eastern and Southern Africa	1 500 000	932 025
International Union for Conservation of Nature (IUCN)	Enabling Sustainable Land Management, Resilient Pastoral Livelihoods and Poverty Reduction in Africa	950 000	590 282
Regional Programme for Rural Development Training (PROCASUR)	Learning Routes Training Programme II	1 500 000	932 025
International Land Coalition (ILC)	Advancing the International Land Coalition's Strategic Framework: Putting a Pro-poor Land Agenda into Practice at the national, regional and global levels	1 070 000	664 844
Africare	Smallholder Agriculture Support Project in Zimbabwe	500 000	310 675
Total		16 795 118	10 435 639
Grand total		287 705 420	178 765 639

^a Using the 30 November 2009 US\$/SDR exchange rate of 1.6094 based on the United States dollar amount for loans and associated grants not negotiated to date.

Analysis of use of advance commitment authority

	<i>Millions of United States dollars</i>							
	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
ACA carry-forward at start of year	-	153.7	277.8	331.1	136.8	296.0	453.3	585.3
Net ACA use/(cover)	153.7	124.1	53.3	(194.3)	159.2	157.3	132.0	157.0
ACA carry-forward at end of year	153.7	277.8	331.1	136.8	296.0	453.3	585.3	742.3

	<i>Millions of United States dollars</i>		
	<i>Actual</i>	<i>Estimated</i>	<i>Estimated</i>
	<i>January to October 2009</i>	<i>November to December 2009</i>	<i>January to December 2009</i>
1. Resources available at start of period	0	0	0
Analysis of flows			
Members' contributions	287.1	106.4	393.5
Loan reflows	209.7	41.0	250.7
Loan and grant cancellations ^a	13.7	32.9	46.6
Net investment income	105.8	9.2	115.0
Net exchange rate movements	(31.4)	0	(31.4)
Operating expenses	(112.4)	(22.5)	(134.9)
2. Total estimated net inflows for the period	472.5	167.0	639.5
3. ACA approved by the Executive Board in the year			76.5
4. Loan and grant commitments^b			(729.5)
5. ACA to be approved at EB 98^c			13.5
6. ACA covered from flows in the period			0
7. ACA unused balance (=1+2+3+4+5+6)			0
8. ACA brought forward (= prior period)			742.3
9. ACA carried forward^d (= 3+5+6+8)			832.3

^a Closure formalities under way.

^b Loan and grant commitments consists of loans and grants presented for approval at this Board session of US\$287.7 million and US\$441.8 million of loans and grants already approved.

^c EB 98 = Ninety-eighth session of the Executive Board (December 2009).

^d The ACA ceiling of five years of loan reflows amounts to approximately to US\$1.38 billion, as per the Seventh Replenishment definition. The current estimated carried forward balance corresponds to about 3.3 years of loans reflows.

