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Enabling poor rural people  
to overcome poverty

## **Resources available for commitment**

## **Addendum**

Executive Board — Ninety-ninth Session  
Rome, 21-22 April 2010

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For: **Approval**

## **Note to Executive Board members**

This document is submitted for approval by the Executive Board.

To make the best use of time available at Executive Board sessions, representatives 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 2010/99/R.13, 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\$176.4 million. Taking into account an increase in the estimated net inflows for the three-month period, the ACA now being requested at this session is US\$75.3 million. The increase in the estimated net inflows is due primarily to US\$151.6 million of contributions, US\$60.1 million of loan reflows and US\$25.8 million of investment income, partially offset by additional outflows of US\$41.4 million for operating expenditures.
2. Attachment II shows estimated total net resource inflows from 1 January to 31 March 2010 of US\$217.3 million. Loan and grant commitments proposed to the current session of the Board, together with projects proposed for approval through the lapse-of-time procedure in the period May to September 2010 total US\$290.5 million (attachment I). Taking into account these net flows and commitments, as well as grants already approved of US\$2.1 million, additional ACA of US\$75.3 million needs to be approved at this session of the Executive Board.

### Recommendation

3. Based on the estimated resource position as at 31 March 2010, the Executive Board is requested to approve the use of advance commitment authority as follows:

The Executive Board, having regard to article 7 of the Agreement Establishing IFAD and noting the present shortfall in resources of an estimated US\$75.3 million due to estimated net inflows for the three months to 31 March 2010 amounting to US\$217.3 million and the loans and grants commitments amounting to US\$292.6 million<sup>1</sup> approves the use of an additional US\$75.3 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 ninety-ninth session in April 2010 and for those to be approved through the lapse-of-time procedure during the period May to September 2010. In addition, the Board requests the President to report to the Executive Board at its next and subsequent sessions on the resources available for commitment, loans and grants approved, and the use of ACA.

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<sup>1</sup> The amount of US\$292.6 million includes loans and grants presented for approval at this session of the Executive Board, projects that will be approved through the lapse-of-time procedure in the period May to September 2010, as well as grants already approved.

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

<i>Country/recipient</i>	<i>Programme/project title</i>	<i>US\$<sup>a</sup></i>	<i>SDR</i>
<b>Loans</b>			
Bangladesh	Char Development and Settlement Project IV	46 928 185	30 860 000
Bangladesh	Participatory Small-scale Water Resources Sector Project	9 922 437	6 525 000
Cameroon	Commodity Value Chain Development Support Project	19 236 602	12 650 000
Dominican Republic	Rural Economic Development Project in the Central and Eastern Provinces	14 066 290	9 250 000
Ghana	Rural and Agricultural Finance Programme – Supplementary loan	9 048 046	5 950 000
Guatemala <sup>b</sup>	Sustainable Rural Development Programme in El Quiché	16 500 000	25 091 220
Papua New Guinea	Productive Partnerships in Agriculture Project	14 020 670	9 220 000
Uganda	Vegetable Oil Development Project – Phase 2	50 942 780	33 500 000
Viet Nam	Project for the Economic Empowerment of Ethnic Minorities in Poor Communes of Dak Nong Province	19 464 704	12 800 000
<b>Total</b>		<b>200 129 714</b>	<b>145 846 220</b>
<b>Debt Sustainability Framework (DSF) grants</b>			
Burundi	Value Chain Development Programme	39 385 612	25 900 000
Eritrea	Fisheries Development Project	12 545 610	8 250 000
Yemen	Economic Opportunities Programme	12 925 780	8 500 000
<b>Total</b>		<b>64 857 002</b>	<b>42 650 000</b>
<b>Grants</b>			
International Center for Agricultural Research in the Dry Areas	Improving the Livelihoods of Rural Communities in the Dry Areas – Sustainable Crop and Livestock Management	1 000 000	657 601
Guatemala	Sustainable Rural Development Programme in El Quiché	500 000	328 800
Viet Nam	Project for the Economic Empowerment of Ethnic Minorities in Poor Communes of Dak Nong Province	1 800 000	1 183 681
Latin American Center for Rural Development - RIMISP	Knowledge for Change - Policy Processes for Poverty Impact	501 824	330 000
<b>Total</b>		<b>3 801 824</b>	<b>2 500 082</b>
<b>Project to be approved through the lapse-of-time procedure in the period May-September 2010</b>			
Nigeria	Community-based Agriculture and Rural Development Programme (CBARD) (loan)	13 000 000	8 548 807
Botswana	Agricultural Services Support Project (loan)	5 090 000	3 347 187
Botswana	Agricultural Services Support Project (grant)	600 000	394 560
Djibouti	Programme of Mobilization of Surface Water and Sustainable Land Management (PROMES) (loan)	3 000 000	1 972 802
<b>Total</b>		<b>21 690 000</b>	<b>14 263 356</b>
<b>Grand total</b>		<b>290 478 540</b>	<b>205 259 658</b>

<sup>a</sup> Using the 31 March 2010 US\$/SDR exchange rate of 1.52068 based on the United States dollar amount for loans and associated grants not negotiated to date.

<sup>b</sup> Loan not yet negotiated.

**Analysis of use of advance commitment authority**

	<i>Millions of United States dollars</i>								
	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>ACA carry-forward at start of year</b>	-	153.7	277.8	331.1	136.8	296.0	453.3	585.3	742.3
Net ACA use/(cover)	153.7	124.1	53.3	(194.3)	159.2	157.3	132.0	157.0	46.7
<b>ACA carry-forward at end of year</b>	<b>153.7</b>	<b>277.8</b>	<b>331.1</b>	<b>136.8</b>	<b>296.0</b>	<b>453.3</b>	<b>585.3</b>	<b>742.3</b>	<b>789.0</b>

	<i>Millions of United States dollars</i>	
		<i>Estimated January to March 2010</i>
<b>1. Resources available at start of period</b>		<b>0</b>
<b>Analysis of flows</b>		
Members' contributions		151.6
Loan reflows		60.1
Loan and grant cancellations		0.3
Net investment income		25.8
Net exchange rate movements		20.9
Operating expenses		(41.4)
<b>2. Total estimated net inflows for the period</b>		<b>217.3</b>
<b>3. ACA approved by the Executive Board in the year</b>		<b>0</b>
<b>4. Loan and grant commitments<sup>a</sup></b>		<b>(292.6)</b>
<b>5. ACA to be approved at EB 99<sup>b</sup></b>		<b>75.3</b>
<b>6. ACA covered from flows in the period</b>		<b>0</b>
<b>7. ACA unused balance (=1+2+3+4+5+6)</b>		<b>0</b>
<b>8. ACA brought forward (= prior period)</b>		<b>789.0</b>
<b>9. ACA carried forward<sup>c</sup> (= 3+5+6+8)</b>		<b>864.3</b>

<sup>a</sup> Loan and grant commitments consists of loans and grants presented for approval at this Board session of US\$290.5 million and US\$2.1 million of loans and grants already approved.

<sup>b</sup> EB 99 = Ninety-ninth session of the Executive Board (April 2010).

<sup>c</sup> The ACA ceiling of seven years of loan reflows amounts to approximately to US\$2.1 billion, as per the Eighth Replenishment definition. The current estimated carried-forward balance corresponds to about 4.3 years of loan reflows.