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IFAD

Enabling poor rural people to overcome poverty

Consolidated financial statements of IFAD as at 31 December 2009

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

For: **Approval**

Note to Executive Board members

This document is submitted for approval by the Executive Board.

Representatives are invited to contact the following focal point with any technical questions about this document:

Bambis Constantinides
Director, Financial Services Division
telephone: +39 06 5459 2054
e-mail: c.constantinides@ifad.org

Queries regarding the dispatch of documentation for this session should be addressed to:

Deirdre McGrenra
Governing Bodies Officer
telephone: +39 06 5459 2374
e-mail: d.mcgrenra@ifad.org

Recommendation for approval

The Executive Board is invited to approve the following decision:

"In accordance with regulation XII(6) of the Financial Regulations of IFAD, the Executive Board considered the 2009 consolidated financial statements of IFAD and the report of the external auditor thereon and agreed to submit them to the Governing Council at its thirty-fourth session in February 2011 for approval."

Consolidated financial statements of IFAD as at 31 December 2009

1. The Executive Board is invited to consider the attached consolidated financial statements of IFAD (appendices A to J) for submission to the Governing Council for approval and the report of the external auditor.

2. In accordance with article 6, section 11, of the Agreement Establishing IFAD, the consolidated financial statements will form part of IFAD's 2009 Annual Report. As in previous years, a note will be inserted to the effect that the statements have been submitted by the Executive Board to the Governing Council with a recommendation for its approval.

3. The consolidated financial statements for 2009 are scheduled to be reviewed in detail at the meeting of the Audit Committee in April 2010. The Chairperson of the Audit Committee will make a formal report to the ninety-ninth session of the Executive Board on the Committee's conclusions with respect to these statements.

Consolidated and IFAD-only balance sheet (appendix A)

4. The following observations are made:

(a) The consolidated cash and investment portfolio, including investment receivables and payables, increased from US$2,757.2 million as at 31 December 2008 to US$2,843.9 million as at 31 December 2009 (see note 4).

(b) Loans outstanding net of accumulated allowances for loan impairment losses and the Debt Initiative for Heavily Indebted Poor Countries increased from US$3,596.8 million as at 31 December 2008 to US$3,889.3 million as at 31 December 2009 (fair value basis).

(c) Contributions to regular resources net of provisions increased from US$5,301.7 million as at 31 December 2008 to US$5,843.9 million as at 31 December 2009 (fair value basis).

Consolidated and IFAD-only statement of comprehensive income (appendix B) and IFAD-only statement of operating expenses (appendix J)

5. The following observations are made:

(a) Income from interest and service charges on loans amounted to US$56.9 million in 2009, compared with US$54.3 million in 2008. The Fund has excluded interest and service charges on loans with arrears in excess of 180 days. That amount in 2009 was US$2.3 million (2008: US$2.8 million) (see note 9).

(b) Gross income from cash and investments totalled US$116.5 million in 2009, compared with US$136.2 million in 2008 on a consolidated basis. Direct charges against investment income amounted to US$4.7 million (see note 15c) in 2009, compared with US$4.6 million in 2008 on a consolidated basis.

(c) A separate analysis of the principal sources of funding of IFAD-only costs is found in appendix J.

(d) IFAD has been participating in the Debt Initiative for Heavily Indebted Poor Countries since 1997. As shown in appendix I, the total cumulative cost of debt relief approved by the Executive Board was US$493.5 million in nominal terms as at 31 December 2009, and the debt relief provided to date was some US$191.3 million (principal) plus US$64.6 million (interest).

(e) In 2009, there was a net accounting charge of US$10.8 million (2008: US$8.7 million) for the After-Service Medical Coverage Scheme based on the latest actuarial valuation, which was performed as at 31 December 2009. This charge is split between various operating expense items (see note 19).

Consolidated and IFAD-only statement of changes in retained earnings (appendix B1)

6. These statements include the retained earnings arising from the excess of accounting revenues over expenses and the effects of foreign-exchange-rate movements. It should be noted that IFAD's retained earnings are fully committed.

Consolidated cash-flow statement (appendix C)

7. Appendix C provides details of the consolidated movements in cash and investments (excluding held-to-maturity investments). Some 90.1 per cent of the balances of consolidated cash and investments relate to IFAD.

Notes to the consolidated financial statements (appendix D)

8. This appendix contains further information on the accounting basis and on data underlying the principal statements.

Statement of complementary and supplementary contributions and unspent funds (appendix D1)

9. Appendix D1 shows the unspent balances for complementary and supplementary contributions made by Member States and others.

IFAD-only balance sheet at nominal value in United States dollars and retranslated in special drawing rights (appendix E)

10. For information purposes only, appendix E shows IFAD's balance sheet at nominal value in United States dollars and retranslated in special drawing rights.

Statement of IFAD-only resources available for commitment (appendix F)

11. This statement includes all assets in freely convertible currencies that may be considered committable in accordance with the policy adopted at the thirty-fourth session of the Executive Board. It should be noted that in 2009, as in prior years, advance commitment authority (ACA) was used to meet loan and grant commitment needs.

Statement of contributions (appendix G)

12. Appendix G combines all replenishment contributions provided by Member States and non-Member States. Full disclosure on non-payment has been made in appendix D (Notes to the consolidated financial statements). Details are provided separately on contributions to the Seventh Replenishment.

Statement of loans (appendix H)

13. Appendix H provides the position of the Fund's borrowers on a country-by-country basis.

Summary of the Debt Initiative for Heavily Indebted Poor Countries (appendix I)

14. This appendix contains a country-by-country analysis of the debt relief provided to date and current commitments for future relief, as authorized by the Executive Board, in special drawing rights and United States dollars.

Consolidated financial statements

For the year ended 31 December 2009*

These consolidated financial statements have been prepared using the symbols of the International Organization for Standardization (ISO), Geneva, International Standard 4217 and special drawing rights (SDR). The notes to the consolidated financial statements (appendix D) form an integral part of the financial statements.

* As submitted for endorsement to the ninety-ninth session of the Executive Board in April 2010 for further submission to the thirty-fourth session of the Governing Council for approval in accordance with regulation XII(6) of the Financial Regulations of IFAD.

Consolidated and IFAD-only balance sheet

As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	Consolidated		*IFAD-only*	
Assets	*2009*	*2008*	*2009*	*2008*
Cash on hand and in banks (note 4)	421 354	491 548	285 778	263 681
Investments (note 4)	2 488 006	2 427 658	2 375 687	2 358 008
Assets held as collateral for securities lent (note 4)	215 780	455 953	215 780	455 953
Contributors' promissory notes (note 5)	400 491	283 980	379 710	264 441
Contributions receivable (note 5)	484 943	281 061	377 557	207 747
Less: provisions (note 6)	(168 448)	(168 485)	(168 448)	(168 485)
Net contribution and promissory notes receivables	716 986	396 556	588 819	303 703
Other receivables (note 7)	67 881	104 894	160 669	253 391
Fixed assets (note 8)	1 802	996	1 802	996
Loans outstanding (note 9 and appendix H)	4 006 668	3 777 607	4 006 668	3 777 607
Less: accumulated allowance for loan impairment losses (note 9(a))	(27 311)	(62 822)	(27 311)	(62 822)
Less: accumulated allowance for the Debt Initiative for Heavily Indebted Poor Countries (HIPC) (note 11(b) and appendix I)	(90 091)	(117 985)	(90 091)	(117 985)
Net loans outstanding	3 889 266	3 596 800	3 889 266	3 596 800
Total assets	**7 801 075**	**7 474 405**	**7 517 801**	**7 232 532**

	Consolidated		*IFAD-only*	
Liabilities and equity	*2009*	*2008*	*2009*	*2008*
Liabilities				
Payables and liabilities (note 12)	221 632	326 626	242 786	342 010
Cash collateral liabilities (note 12)	217 872	474 229	217 872	474 229
Undisbursed grants (appendix H1)	402 946	194 922	253 504	138 641
Deferred revenues (note 13)	209 047	269 445	76 647	77 840
Total liabilities	1 051 497	1 265 222	790 809	1 032 720
Equity				
Contributions				
Regular	5 823 593	5 281 368	5 823 593	5 281 368
Special	20 349	20 348	20 349	20 348
Total contributions (appendix G)	5 843 942	5 301 716	5 843 942	5 301 716
General Reserve	95 000	95 000	95 000	95 000
Retained earnings	810 636	812 467	788 050	803 096
Total equity	6 749 578	6 209 184	6 726 992	6 199 812
Total liabilities and equity	**7 801 075**	**7 474 405**	**7 517 801**	**7 232 532**

The accompanying notes in appendix D form an integral part of these financial statements.

Consolidated statement of comprehensive income

For the years ended 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	2009	*2008*
Revenues		
Income from loans	56 957	54 344
Income from cash and investments (note 15)	116 493	136 273
Income from other sources (note 16)	9 841	18 861
Income from contributions (note 17)	225 878	32 561
Total revenues	**409 169**	**242 039**
Operating expenses (note 18)		
Staff salaries and benefits (note 19)	(87 078)	(77 669)
Office and general expenses	(30 394)	(42 810)
Consultants and other non-staff costs	(30 549)	(30 172)
Cooperating institutions	(4 877)	(7 661)
Direct bank and investment costs (note 20)	(4 269)	(4 185)
Subtotal operating expenses	**(157 167)**	**(162 497)**
Reversal of allowance for loan impairment losses (note 9(a))	37 096	36 945
Debt Initiative for HIPC (expenses)/income	(7 420)	(36 290)
Grant expenses	(386 445)	(131 986)
Depreciation	(365)	(45)
Total expenses	**(514 301)**	**(293 873)**
(Deficit)/Excess revenue over expenses before fair value adjustments	**(105 132)**	**(51 834)**
Adjustment for changes in fair value (note 21)	(18 667)	(796)
(Deficit)/Excess revenue over expenses	**(123 799)**	**(52 630)**
Other comprehensive income/(loss):		
(Losses)/gains from currency exchange movements (note 14)	128 223	(166 752)
Provision for After-Service Medical Coverage Scheme (ASMCS) benefits (note 19(d))	(6 255)	(4 547)
Total other comprehensive income/(loss)	**121 968**	**(171 299)**
Total comprehensive income/(loss)	**(1 831)**	**(223 929)**

The accompanying notes in appendix D form an integral part of these financial statements.

IFAD-only statement of comprehensive income

For the years ended 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	2009	*2008*
Revenues		
Income from loans	56 957	54 344
Income from cash and investments (note 15)	114 999	131 257
Income from other sources (note 16)	14 066	23 025
Income from contributions (note 17)	30 000	0
Total revenues	**216 022**	**208 626**
Operating expenses (note 18)		
Staff salaries and benefits (note 19)	(83 961)	(74 738)
Office and general expenses	(28 991)	(38 999)
Consultants and other non-staff costs	(25 106)	(23 231)
Cooperating institutions	(4 819)	(7 428)
Direct bank and investment costs	(4 212)	(4 109)
Subtotal operating expenses	**(147 089)**	**(148 505)**
Reversal of allowance for loan impairment losses (note 9(a))	37 096	36 945
Debt Initiative for HIPC (expenses)/income	(7 371)	(34 660)
Grant expenses	(205 394)	(115 768)
Depreciation	(365)	(45)
Total expenses	**(323 123)**	**(262 033)**
(Deficit)/Excess revenue over expenses before fair value adjustments	**(107 101)**	**(53 407)**
Adjustment for changes in fair value (note 21)	(23 359)	2 865
(Deficit)/Excess revenue over expenses	**(130 460)**	**(50 542)**
Other comprehensive income/(loss):		
(Losses)/gains from currency exchange movements	121 669	(153 587)
Provision for After-Service Medical Coverage Scheme (ASMCS) benefits (note 19(d))	(6 255)	(4 547)
Total other comprehensive income/(loss)	**115 414**	**(158 134)**
Total comprehensive income/(loss)	**15 046**	**(208 676)**

The accompanying notes in appendix D form an integral part of these financial statements.

Consolidated statement of changes in retained earnings

For the years ended 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	Total retained earnings
Opening balance as at 1 January 2008	**1 036 396**
(Deficit)/Excess revenue over expenses	(52 630)
Total other comprehensive income/(loss)	(171 299)
Retained earnings as at 31 December 2008	**812 467**
(Deficit)/Excess revenue over expenses	(123 799)
Total other comprehensive income/(loss)	121 968
Retained earnings as at 31 December 2009	**810 636**

IFAD-only statement of changes in retained earnings

For the years ended 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	Total retained earnings
Opening balance as at 1 January 2008	**1 011 772**
(Deficit)/Excess revenue over expenses	(50 542)
Total other comprehensive income/(loss)	(158 134)
Retained earnings as at 31 December 2008	**803 096**
(Deficit)/Excess revenue over expenses	(130 460)
Total other comprehensive income/(loss)	115 414
Retained earnings as at 31 December 2009	**788 050**

The accompanying notes in appendix D form an integral part of these financial statements.

Consolidated cash-flow statement

For the years ended 31 December 2009 and 2008 (expressed in thousands of United States dollars)

		2009	*2008*
Cash flows from operating activities			
	Interest received from loans	56 768	55 856
	Receipts for non-replenishment contributions	107 275	83 057
	Miscellaneous (payments)/receipts	24 034	39 252
	Payments for operating expenses and other payments	(151 160)	(154 279)
	Grant disbursements (IFAD)	(53 305)	(39 825)
	Grant disbursements (supplementary funds)	(89 766)	(16 219)
	Net cash flows generated from operating activities	**(106 154)**	**(32 158)**
Cash flows from investing activities			
	Loan disbursements	(428 522)	(433 807)
	Loan principal repayments	201 093	186 233
	Receipts from/(payments for) investments	2 544	119 946
	Net cash used in investing activities	**(224 885)**	**(127 628)**
Cash flows from financing activities			
	Receipts for replenishment contributions	287 110	209 487
	Net cash used in financing activities	**287 110**	**209 487**
Effects of exchange rate movements on cash and cash equivalents		**38 901**	**(52 626)**
	Net increase/(decrease) in unrestricted cash and cash equivalents	**(5 028)**	**(2 925)**
	Unrestricted cash and cash equivalents at beginning of year	**2 510 000**	**2 512 925**
	Unrestricted cash and cash equivalents at end of year	**2 504 972**	**2 510 000**
COMPOSED OF:			
	Unrestricted cash	421 297	491 487
	Unrestricted investments excluding held-to-maturity and cash collateral investments	2 083 675	2 018 513
	Cash and cash equivalents at end of year	**2 504 972**	**2 510 000**

The accompanying notes in appendix D form an integral part of these financial statements.

Notes to the consolidated financial statements

NOTE 1

BRIEF DESCRIPTION OF THE FUND AND THE NATURE OF OPERATIONS

The International Fund for Agricultural Development (herein after IFAD or the Fund) is a specialized agency of the United Nations. IFAD formally came into existence on 30 November 1977, on which date the agreement for its establishment entered into force, and has its headquarters in Rome, Italy. The Fund and its operations are governed by the Agreement Establishing the International Fund for Agricultural Development.

Membership in the Fund is open to any state member of the United Nations or any of its specialized agencies, or of the International Atomic Energy Agency (IAEA). The Fund's resources come from Member contributions, special contributions from non-Member States and other sources, and funds derived or to be derived from operations.

The objective of the Fund is to mobilize additional resources to be made available on concessional terms primarily for financing projects specifically designed to improve food production systems, the nutritional level of the poorest populations in developing countries and the conditions of their lives. IFAD mobilizes resources and knowledge through a dynamic coalition of the rural poor, governments, financial and development institutions, non-governmental organizations and the private sector, including cofinancing. Financing from non-replenishment sources in the form of supplementary funds and human resources forms an integral part of IFAD's operational activities.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

The consolidated financial statements of the Fund are prepared in accordance with International Financial Reporting Standards (IFRS) and under the historical cost convention with the exception of loans and certain receivables and liabilities which are measured at fair value and amortized cost using the effective interest method. Information is provided separately in the financial statements for entities where this is deemed of interest to the readers of the accounts.

The preparation of financial statements in conformity with IFRS requires use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

(i) Changes in accounting policies and disclosures adopted.

The following changes occurred during 2009:

- Effective 1 January 2009, IFAD adopted International Accounting Standard (IAS) 1 revised, "Presentation of Financial Statements". IAS 1 deals with the presentation of the Financial Statements, not with the handling of the accounting transactions. The change introduced this year is a "statement of comprehensive income" (appendix B) instead of a "statement of revenues and expenses". The structure of this statement is slightly different, in that it segregates operating revenue and expenditure from movements based on accounting revaluations such as exchange, actuarial or fair value gains or losses. The presentation of the balance sheet and of the statement of retained earnings has not changed.

- Effective 1 January 2009 IFAD adopted the amendments on IFRS 7 with additional disclosure about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurement by level of fair value measurement hierarchy. This change results in additional disclosures without any financial impact.

Financial assets and liabilities recorded at fair value on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1: Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2: Financial assets and liabilities whose values are based on quoted prices for similar assets or liabilities, or pricing models for which all significant inputs are observable, either directly or indirectly for substantially the full term of the asset or liability.

Level 3: Financial assets or liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

(b) Area of consolidation

Financing in the form of supplementary funds and human resources forms an integral part of IFAD's operational activities. As such the Fund prepares consolidated accounts, which include the transactions and balances for the following entities:

- Special Programme for sub-Saharan African Countries Affected by Drought and Desertification (SPA)
- IFAD Fund for Gaza and the West Bank (FGWB)
- Other supplementary funds, including technical assistance grants, cofinancing, associate professional officers (APOs) and programmatic and thematic supplementary funds; the Belgian Survival Fund Joint Programme (BSF.JP); and the Global Environment Facility (GEF)
- IFAD's Trust Fund for the Debt Initiative for Heavily Indebted Poor Countries (HIPC)
- IFAD's After-Service Medical Coverage Scheme (ASMCS) Trust Fund

These entities have a direct link to IFAD's core activities and are substantially controlled by IFAD. Accordingly, they are consolidated in IFAD's financial statements for reasons of completeness and clarity. All transactions and balances between these entities have been eliminated. Additional financial data for funds are drawn up as and when requested to meet specific donor requirements.

The BSF.JP programme of work – unlike that of other entities housed at IFAD – is prepared by IFAD and agreed with the Government of Belgium at an annual meeting of the steering committee. BSF.JP is complementary to IFAD and forms part of its core activities.

Entities housed at IFAD. These entities do not form part of the core activities of the Fund and, as such, are not consolidated. These entities are the International Land Coalition (ILC) (formerly called the Popular Coalition to Eradicate Hunger and Poverty), High Level Task Force (HLTF) on the Global Food Security Crisis and the Global Mechanism of the United Nations Convention to Combat Desertification.

(c) Translation and conversion of currencies

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in United States dollars, which is IFAD's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or at the applicable exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of revenues and expenses.

The results and financial position of the entities/funds that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities and revenue and expenditures are translated at the closing rate.
- All resulting exchange differences are recognized as a separate component of equity.

(d) Equity

This comprises the following three elements: **(i) Contributions (equity); (ii) General Reserve; and (iii) Retained earnings**.

(i) Contributions (equity)

(a) Background to contributions

The contributions to the Fund by each Member when due are payable in freely convertible currencies, except in the case of Category III Members up to the end of the Third Replenishment period who were permitted to pay contributions in their own currency whether or not it was freely convertible. Each contribution is to be made in cash or, to the extent that any part of the contribution is not needed immediately by the Fund in its operations, it may be paid in the form of non-negotiable, irrevocable, non-interest-bearing promissory notes or obligations payable on demand.

A contribution to IFAD replenishment resources is recorded in full as equity and as receivable when the Member deposits its instrument of contribution. Amounts receivable from Member States as contributions, and other receivables including promissory notes have been recorded within the balance sheet at their fair value in accordance with IAS39, at level 2.

(b) Provisions

The policy on provisions against overdue Member States' contributions is as follows:

(i) Whenever a payment of an instalment against an instrument of contribution or a payment of a drawdown against a promissory note becomes overdue by 24 months, a provision will be made equal to the value of all overdue contribution payments or the value of all unpaid drawdowns on the promissory note(s) outstanding.

(ii) Whenever a payment of an instalment against an instrument of contribution or a payment of a drawdown against a promissory note becomes overdue by 48 months or more, a provision will be made against the total value of the unpaid contributions of the Member or the total value of the promissory note(s) of that Member related to the particular funding period (i.e. a replenishment period).

(iii) The end of the financial year is currently used for determining the 24- and 48-month periods.

(ii) General Reserve

The General Reserve may only be used for the purposes authorized by the Governing Council and was established in recognition of the need to cover the Fund's potential over-commitment risk as a result of exchange rate fluctuations and possible delinquencies in receipt of loan-service payments or in the recovery of amounts due to the Fund from the investment of its liquid assets. It is also intended to cover the risk of over-commitment as a result of a diminution in the value of assets caused by fluctuations in the market value of investments.

The General Reserve is subject to a review every three years in order to assess its adequacy.

(iii) Retained earnings

Retained earnings represent the excess of revenue over expenses net of the effects of changes in foreign exchange rates. For operational purposes, reference should be made to the statement of IFAD-only resources available for commitment (appendix F).

(e) Loans

(i) Background to loans

IFAD loans are made only to developing states that are Members of the Fund or to intergovernmental organizations in which such Members participate. In the latter case, the Fund may require governmental or other guarantees. A loan becomes effective or enters into force when conditions precedent to effectiveness or entry into force have been fulfilled. Upon signature, disbursement may commence.

All Fund loans are approved and loan repayments and interest are payable in the currency specified in the loan agreement in amounts equivalent to the SDR due, based on International Monetary Fund rates on the due dates. Loans approved are disbursed to borrowers in accordance with the provisions of the loan agreement.

Currently the lending terms of the Fund are as follows:

"(a) Special loans on highly concessional terms shall be free of interest but bear a service charge of three fourths of one per cent (0.75 per cent) per annum and have a maturity period of forty (40) years, including a grace period of ten (10) years; (b) loans on intermediate terms shall have a rate of interest per annum equivalent to fifty per cent (50 per cent) of the variable reference interest rate, as determined annually by the Executive Board, and a maturity period of twenty (20) years, including a grace period of five (5) years; (c) loans on ordinary terms shall have a rate of interest per annum equivalent to one hundred per cent (100 per cent) of the variable reference interest rate, as determined annually by the Executive Board, and a maturity period of fifteen (15) to eighteen (18) years, including a grace period of three (3) years; (d) no commitment charge shall be levied on any loan."

(ii) Loans to non-Member States

At its twenty-first session in February 1998, the Governing Council adopted resolution 107/XXI approving the establishment of a fund for the specific purpose of lending to Gaza and the West Bank (FGWB). The application of article 7, section 1(b), of the Agreement Establishing IFAD was waived for this purpose. Financial assistance, including loans, is transferred to the FGWB by decision of the Executive Board and the repayment thereof, if applicable, is made directly to IFAD's regular resources.

(iii) Debt Initiative for Heavily Indebted Poor Countries (HIPC)

Background to the HIPC Debt Initiative

IFAD participates in the International Monetary Fund/World Bank original and enhanced Debt Initiative for Heavily Indebted Poor Countries as an element of IFAD's broader policy framework for managing operational partnerships with countries that face the risk of having arrears with IFAD in the future because of their debt-service burden. Accordingly, IFAD provides debt relief by forgiving a portion of an eligible country's debt-service obligations as they become due.

In 1998, IFAD established a Trust Fund for the Debt Initiative. This fund receives resources from IFAD and from other sources, specifically dedicated as compensation to the loan-fund account(s) for agreed reductions in loan repayments under the Initiative. Amounts of debt service forgiven are expected to be reimbursed by the Trust Fund on a pay-as-you-go basis (i.e. relief is when debt service obligations become due) to the extent that resources are available in the fund.

Impact of the HIPC Debt Initiative

The Executive Board approves each country's debt relief in net present value terms. The estimated nominal equivalent of the principal components of the debt relief is recorded under accumulated allowance for the HIPC Debt Initiative, and as a charge to the HIPC Debt Initiative expenses in the statement of revenues and expenses. The assumptions underlying these estimates are subject to periodic revision. Significant judgement has been used in the computation of the estimated value of allowances for the HIPC Debt Initiative.

The charge is offset and the accumulated allowance reduced by income received from external donors to the extent that such resources are available. The accumulated allowance for the HIPC Debt Initiative is reduced when debt relief is provided by the Trust Fund.

In November 2006, IFAD was granted access to the core resources of the World Bank HIPC Trust Fund, in order to assist in financing the outstanding debt relief once countries reach completion point. Financing is provided in net present value terms.

(iv) Measurement of loans

In accordance with IAS39 loans are initially recognized at fair value on day one and subsequently measured at amortized cost using the effective interest method. The fair value is calculated by applying discount rates to the estimated future cash flows on a loan-by-loan basis in the currency in which the loans are denominated, at the time of loan closure (i.e. when the loan is fully disbursed) using a model. The discount rates are calculated with reference to the estimated forward interest curve for the year of closure based on the underlying currency of each loan. The discount factor applied is not adjusted for country credit risk as lending is provided directly to country governments and considered to be "sovereign debt"; based on the very low probability of default experienced by IFAD on its loan portfolio. However, the outstanding loans are reviewed for impairment on a loan-by-loan basis and a provision established where there is objective evidence that the loans are impaired. This fair value evaluation technique falls within level 2.

(v) Accumulated allowance for impairment losses

Delays in receiving loan payments result in present value losses to the Fund since it does not charge fees or additional interest on any overdue interest or loan charges. An allowance is established for such losses based on the difference between the assets' carrying value and the present value of estimated future cash flows discounted at the financial assets' original effective interest rate (i.e. the effective interest rate calculated at initial recognition). In cases where it is not possible to estimate with any reasonable certainty the expected cash flows of a loan (as in all cases for which an allowance has been established to date), an alternative approach is allowed that adopts a method similar to the benchmark used for the provisioning of Member States' contributions. This means that an allowance shall be made on loan instalments overdue by more than 24 months for all cases where a settlement plan is not being actively followed. An allowance is also made for loan instalments on the same loan overdue by less than 24 months. Once this trigger period has been reached, all amounts overdue at that time are considered to be in provision status, even in the event that part of the total outstanding debt is subsequently repaid. In cases where more than 48 months have elapsed, an allowance is made for all outstanding principal amounts of the loan concerned. The point in time from which it is necessary to determine whether or not the given period has elapsed is the balance sheet date. The Fund has not written off any of its loans.

(vi) Non-accrual status

Income on loans is recognized following the accrual basis of accounting. For loans with overdue amounts in excess of 180 days, interest and service charges are recognized as income only when actually received. Follow-up action is being taken with the respective governments to obtain settlement of these obligations.

(f) Investments

The Fund's investment portfolio contains investments that are held for trading, and certain selected securities that the Fund intends to hold until maturity. The Fund carries those investments that are held for trading at fair value, and those investments that are held-to-maturity at amortized cost. Fair value is represented by the quoted market value at the balance sheet date (fair value at level 1). Both realized and unrealized security gains and losses are included in income from investments as they arise. Both realized and unrealized exchange gains and losses are included in the account for movements in foreign exchange rates as they arise. All purchases and sales of investments are recognized on the trade date. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The majority of derivatives are used as hedging instruments (although they do not qualify for hedging accounting) and therefore changes in the fair value of any of these derivative instruments are recognized immediately in the statement of revenues and expenses.

The Fund enters into securities lending transactions with the global custodian acting as its agent to lend securities from the investment portfolio. In such transactions, IFAD receives collateral in the form of securities and cash in accordance with normal market practice. The transactions are conducted under standard agreements employed by financial market participants and are undertaken with counterparties in accordance with the agreement with the global custodian. Securities lent are not derecognized from the balance sheet unless the risks and rewards of ownership are also transferred. Similarly, IFAD does not recognize securities received as in-kind collateral unless the risks and rewards of ownership of such securities are transferred to IFAD. Cash collateral received is invested in the money market and in other liquid financial instruments that are classified as held-for-trading investments in the balance sheet. IFAD is required to pay a fee, the "rebate" fee, to the provider of the cash collateral. IFAD has a contractual obligation to cover any losses on the reinvested cash collateral.

The obligation to return the cash collateral received is treated as a liability.

Realized and unrealized income or losses from securities lending activities are recorded as income or expenses on an accrual basis.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits held at call with banks. They also include investments that are readily convertible at the balance sheet date. Net investment payables and investments held-to-maturity are excluded from readily convertible investments for cash flow purposes.

(h) Contributions (non-equity)

Contributions to non-replenishment resources are recorded as revenues in the period in which the related expenses occur. For project cofinancing activities, contributions received are recorded as revenues in the period in which the related grant becomes effective. Contributions relating to programmatic grants, APOs, BSF.JP and other supplementary funds are recorded in the balance sheet as deferred revenues and are reduced by the amount of project-related expenses in the statement of revenues and expenses. Where specified in the donor agreements, contributions received (including management fees) and interest earned thereon, for which no direct expenses have yet been incurred, are deferred until future periods to be matched against the related costs. This is consistent with the accounting principle adopted with regard to IFAD's combined supplementary funds and serves to present the underlying nature of these balances more clearly. A list of such contributions can be found in appendix D1.

Individual donors provided human resources (in the form of APOs) to assist IFAD in its activities. The contributions received from donors are recorded as revenues and the related costs are included in staff costs.

(i) Grants

The Agreement Establishing IFAD empowers the Fund to make grants to its Member States, or to intergovernmental organizations in which its Members participate, on such terms as the Fund deems appropriate.

Grants are recorded as expenses on effectiveness of the approved amount and as a liability for undisbursed amounts at fair value in accordance with IAS39 (fair value at level 2). Following the approval by the Executive Board of the revisions to the General Conditions for Agricultural Development Financing (April 2009), grants become effective on entry into force when a recipient has the right to incur eligible expenditures.

Cancellations of undisbursed balances are recognized as an offset to the expense in the period in which they occur.

(j) Employee schemes

(i) Pension obligations

IFAD participates in the United Nations Joint Staff Pension Fund (UNJSPF), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits. The Pension Fund is a funded, defined benefit plan. The financial obligation of the organization to the UNJSPF consists of its mandated contribution, at the rate established by the United Nations General Assembly, together with any share of any actuarial deficiency payments under article 26 of the regulations of the Pension Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Pension Fund as of the valuation date. At the time of this report, the United Nations General Assembly has not invoked this provision.

The actuarial method adopted for the UNJSPF is the Open Group Aggregate method. The cost of providing pensions is charged to the statement of revenues and expenses so as to spread the regular cost over the service lives of employees, in accordance with the advice of the actuaries, who carry out a full valuation of the period plan every two years. The plan exposes participating organizations to actuarial risks associated with the current and former employees of other organizations, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the plan. IFAD – like other participating organizations – is not in a position to identify its share of the underlying financial position and performance of the plan with sufficient reliability for accounting purposes, and hence has not recorded any assets in its accounts in this regard, nor included related information such as the return on plan assets.

(ii) After-Service Medical Coverage Scheme

IFAD participates in a multi-employer After-Service Medical Coverage Scheme (ASMCS) administered by the Food and Agriculture Organization of the United Nations (FAO) for staff receiving a United Nations pension and eligible former staff on a shared-cost basis. The ASMCS operates on a pay-as-you-go basis, meeting annual costs out of annual budgets and staff contributions. Since 2006, an independent valuation is being performed on an annual basis.

In accordance with IAS19, IFAD has set up a trust fund into which it transfers the funding necessary to cover the actuarial liability.

(k) Provisions

Provisions are established when the Fund has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Employee entitlements to annual leave and long-service entitlements are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service separation entitlements as a result of services rendered by employees up to the balance sheet date.

(l) Taxation

IFAD is a specialized agency of the United Nations and as such enjoys privileged tax-exemption status under the Convention on Privileges and Immunities of Specialized United Nations Agencies of 1947 and the Agreement between the Italian Republic and IFAD on IFAD's permanent headquarters. Taxation levied where this exemption has not yet been obtained is deducted directly from the related investment income.

(m) Revenue recognition

Service charge income and income from other sources are recognized as revenues in the period in which the related expenses are incurred.

(n) Fixed assets – Intangible assets

Major purchases of property, furniture and equipment are capitalized. Depreciation is calculated on a straight-line basis over the estimated useful life of each item purchased as set out below:

- Permanent equipment fixtures and fittings 10 years
- Furniture 5 years
- Office equipment 4 years

Software development costs are capitalized as intangible assets if future economic benefits will flow to the organization. Depreciation is calculated on a straight-line basis over the estimated useful life of the software (two to five years).

(o) IFAD's resources available for commitment

Resources available for commitment are those resources in freely convertible currencies defined in article 4, section 1, of the Agreement Establishing IFAD, which have been contributed by Member States and others or have been derived, or are to be derived, from operations or loan repayments by borrowers, to the extent that these resources have not already been committed for loans and grants or appropriated to the General Reserve.

The policy for determining resources available for commitment is as follows:

(i) Only actual receipts in the form of cash or promissory notes will be included in committable resources. The value of instruments of contribution against which payment in the form of cash or promissory notes has not yet been made will be excluded from committable resources.

(ii) Provisions have been established for overdue promissory notes.

(iii) Promissory notes and commitments for loans (undisbursed effective loans, approved loans signed but not yet effective and loans not yet signed) and undisbursed grants are recorded at nominal value within the statement of resources available for commitment as this is an operational report for management purposes only and therefore is not subject to the financial reporting requirements of IAS39.

(iv) The Executive Board has authority to employ advance commitment authority (ACA) prudently and cautiously to compensate, year by year, for fluctuations in the resources available for commitment and to act as a reserve resource. ACA was used in 2009, as in 2008, because regular resources were not sufficient to meet loan and grant commitments.

A loan or grant is considered to be committed when a formal agreement is signed by the Fund and the respective borrower or grantee. The Fund's Executive Board reviews a statement of resources available for commitment at every Executive Board session to ensure that resources are available to finance the loans and grants presented for approval at the session or expected to be approved by the lapse-of-time procedure prior to the subsequent Board session.

NOTE 3

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(a) *Critical accounting estimates and assumptions*

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(i) Fair value and amortized costs of loans, undisbursed grants, deferred revenues, promissory notes and contributions receivable.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

(ii) HIPC Debt Initiative

Significant judgements have been used in the computation of estimated losses for the HIPC Debt Initiative and overdue loan repayments. Principal assumptions underlying the computations include the exchange rate between the SDR and the United States dollar, timing of eligibility of debt relief and the level of disbursements.

(b) *Critical judgement in applying accounting policies*

(i) Fair value accounting

Fair value accounting is required in order for IFAD to comply with International Financial Reporting Standards. Reconciliations between measurement at fair value and amortized cost using the effective interest method and nominal values have been provided with respect to loans, receivables, undisbursed grants and deferred revenues.

NOTE 4

CASH AND INVESTMENT BALANCES

(a) *Analysis of balances (consolidated)*

	Thousands of United States dollars	
	2009	*2008*
Unrestricted cash	421 297	491 487
Cash subject to restriction	57	61
Subtotal cash	**421 354**	**491 548**
Unrestricted investments	2 487 548	2 427 170
Investments subject to restriction	458	488
Subtotal investments excluding cash collateral assets	**2 488 006**	**2 427 658**
Assets held as collateral for securities lent	215 780	455 953
Subtotal investments	**2 703 786**	**2 883 611**
Total cash and investments	**3 125 140**	**3 375 159**

(b) *Cash and investments subject to restriction*

Currencies not freely convertible: Cash and investments held by the Fund at 31 December 2009 in currencies not freely convertible amounted to US$57,000 (2008 – US$61,000) and US$458,000 (2008 – US$488,000), respectively.

In accordance with the Agreement Establishing IFAD, the amounts paid into the Fund by the then Category III Member States in their respective currencies on account of their initial or additional contributions are subject to restriction in usage.

(c) *Composition of the investment portfolio by instrument (consolidated)*

At 31 December 2009, cash and investments, including payables and receivables, at market value amounted to US$2,843,974,000 excluding restricted and non-convertible currencies (2008 – US$2,757,204,000), and comprised the following instruments:

	Thousands of United States dollars	
	2009	*2008*
Cash	421 297	491 487
Fixed-income instruments	2 350 258	2 306 973
Unrealized market value (loss)/gain on forward contracts	(8 753)	26 752
Time deposits and other obligations of banks	143 470	87 566
Futures	2 615	6 530
Options	(42)	122
Swaps	-	(773)
Assets held as collateral for securities lent	215 780	455 953
Total cash and investments	**3 124 625**	**3 374 610**
Receivables for investments sold	37 685	67 388
Payables for investments purchased	(100 464)	(210 565)
Cash collateral liabilities	(217 872)	(474 229)
Total investment portfolio	**2 843 974**	**2 757 204**

Fixed-income investments include US$402,809,000 in held-to-maturity investments as at 31 December 2009 (2008 – US$407,152,000).

The market value of cash collateral received against securities lent at 31 December 2009 amounted to US$215.8 million (2008 – US$455.9 million) with a corresponding liability to the borrowers for US$217.9 million (2008 – US$474.2 million). This represents an unrealized loss balance of US$2.1 million (2008 – US$18.3 million equivalent). The nominal value of securities lent at 31 December 2009 amounted to US$216 million (2008 – US$526 million). Securities held by the Fund as in-kind collateral at 31 December 2009 amounted to US$3.9 million (2008 – US$74 million). The majority of the securities lent are short-term investments.

(d) Composition of the investment portfolio by currency (consolidated)

The currency composition of cash and investments at 31 December was as follows:

	Thousands of United States dollars	
	2009	*2008*
Euro	955 038	883 573
Japanese yen	355 143	337 096
Pound sterling	257 430	240 769
United States dollar	1 278 455	1 314 042
Total	**2 846 066**	**2 775 480**
Assets held as collateral for securities lent	215 780	455 953
Cash collateral liabilities	(217 872)	(474 229)
Total cash and investment portfolio	**2 843 974**	**2 757 204**

The currency composition pertaining to the assets held as cash collateral is reported separately in note 4(j).

(e) Composition of the investment portfolio by maturity (consolidated)

The composition of cash and investments by maturity at 31 December was as follows:

	Thousands of United States dollars	
	2009	*2008*
Due in one year or less	638 027	599 499
Due after one year through five years	1 736 209	1 555 526
Due from five to ten years	204 159	244 179
Due after ten years	267 671	376 276
Total	**2 846 066**	**2 775 480**
Assets held as collateral for securities lent	215 780	455 953
Cash collateral liabilities	(217 872)	(474 229)
Total cash and investment portfolio	**2 843 974**	**2 757 204**

The average life to maturity of the fixed-income investments included in the consolidated investment portfolio at 31 December 2009 was 52 months (2008 – 76 months).

Analyses of the cash collateral (including its composition by maturity) are presented separately in note 4(j).

(f) Financial risk management

IFAD's investment activities are exposed to a variety of financial risks: market risk, credit risk, currency risk, custodial risk and liquidity risk, as well as capital risk as a going concern, which however, is limited to the investment portfolio.

(g) Market risk

IFAD's investment portfolio is allocated to several asset classes in the fixed income universe in line with IFAD's investment policy. Occasionally IFAD Management has taken short-term tactical measures to protect the overall portfolio from adverse market conditions.

Cash and held-to-maturity investments are managed internally; marked-to-market investments are managed through 11 mandates to external managers.

The weights and amounts of each asset class within the overall portfolio, together with the investment policy weights as at 31 December 2009 and 2008 are shown in table 1. Disclosures relate to IFAD only.

Table 1
Asset class and investment policy weights (IFAD only)
As at 31 December 2009 and 2008

Asset class		*Portfolio*	*Investment policy*
2009	*%*	*Millions of U.S. dollars*	*%*
Short-term liquidity	7.1	184.2	5.5
Held-to-maturity	15.5	402.8	15.5
Government bonds	42.7	1 110.8	43.6
Diversified fixed-interest	18.0	467.0	15.4
Inflation-linked	16.7	433.9	20.0
Total	**100**	**2 598 .7**	**100**

Asset class		*Portfolio*	*Investment policy*
2008	*%*	*Millions of U.S. dollars*	*%*
Short-term liquidity	5.5	136.6	5.5
Held-to-maturity	16.4	407.2	16.4
Government bonds	43.8	1 086.0	43.3
Diversified fixed-interest	17.9	443.8	14.8
Inflation-linked	16.4	404.9	20.0
Total	**100**	**2 478.5**	**100**

The closing balance and operational cash as at 31 December 2009 included approximately US$40 million of supplementary funds received from the European Commission. This amount temporarily impacted the portfolio's balance and asset allocation.

Each asset class is managed according to its own investment guidelines. The guidelines address a variety of market risks through restrictions on eligibility of instruments and on managers' activity by setting:

1. Pre-assigned benchmarks and limits on deviations from benchmarks in terms of duration
2. Tracking error limits
3. Credit floors (please refer to (h) credit risk).

The benchmark indices used for the respective portfolios are shown in table 2.

Table 2
Benchmark indices by portfolio

Portfolio	*Benchmark index*
Short-term liquidity	Not applicable
Government bonds	JP Morgan Global Government Bond Index (1-3 years), customized to the four component currencies of the SDR valuation basket
Diversified fixed-interest	Barclays (formerly Lehman) U.S. Aggregate Index (Aa+ or above)
Inflation-linked	Barclays Capital World Government Inflation-Linked Index (1-10 years)
Held-to-maturity	Equally-weighted extended sector benchmark (internally calculated on a quarterly basis)

The upper limit for the duration is set at:

- One year above the benchmark for the global government bonds asset class.
- Two years above the benchmark for the diversified fixed-interest asset class.
- Two years above the benchmark for the inflation-linked bonds asset class.

Exposure to market risk is adjusted by modifying the duration of the portfolio, depending on the outlook for changes in securities market prices. The upper limit for the duration of the fixed-income portion of the portfolio is set at 0-2 years above the benchmarks of respective fixed-income portfolios. The Fund no longer invests in equities.

The average duration of IFAD's investment portfolio at 31 December 2009 and 2008 and respective benchmarks are shown in table 3.

Table 3
Average duration of portfolios and benchmarks in years (IFAD only)
As at 31 December 2009 and 2008

	Portfolio		Benchmark	
Portfolio	**2009**	**2008**	**2009**	**2008**
Short-term liquidity	-	-	n/a	n/a
Government bonds	2.0	2.9	1.8	2.6
Diversified fixed-interest	4.2	3.0	4.2	3.2
Inflation-linked	4.0	4.7	4.2	5.2
Held-to-maturity	2.3	2.3	2.3	2.3
Total average	**2.6**	**3.0**	**2.6**	**3.0**

The sensitivity analysis of IFAD's overall investment portfolio in table 4 shows how a parallel shift in the yield curve (-300 to +300 basis points) would affect the value of the investment portfolio as at 31 December 2009.

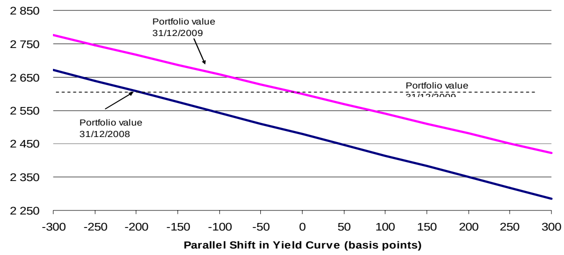
Table 4
Sensitivity analysis on investment portfolio (IFAD only)

	2009		*2008*	
Basis point shift in yield curve	*Change in value of externally managed portfolio*	*Total portfolio*	*Change in value of externally managed portfolio*	*Total portfolio*
-300	177	2 755	193	2 672
-250	147	2 746	161	2 640
-200	118	2 717	129	2 608
-150	88	2 687	96	2 575
-100	59	2 658	64	2 543
-50	29	2 628	32	2 511
0		**2 599**	**-**	**2 478**
50	(29)	2 569	(32)	2 447
100	(59)	2 540	(64)	2 415
150	(88)	2 510	(96)	2 383
200	(118)	2 481	(129)	2 350
250	(147)	2 451	(161)	2 318
300	(177)	2 422	(193)	2 286

The above sensitivity analysis does not include cash collateral investments. Due to the current low interest rate level, the shown significant basis point shifts are illustrative.

Graph 1 shows the negative relationship between yields and fixed income portfolio value.

Graph 1
Sensitivity analysis on investment portfolio value (IFAD only)
(Millions of United States dollars)



At 31 December 2009, if the general level of interest rates on the SDR currency markets had been higher/(lower) by 100 basis points (this is a parallel shift of the yield curves), the overall portfolio investment income would have been lower/(higher) by US$59.0 million as a result of the capital losses (gains) on the marked-to-market portion of the portfolio (75 per cent of the total).

Table 5 shows the tracking error limits defined by the investment guidelines. Tracking error represents the annualized standard deviation of the return versus the benchmark, and it is a measure of the active risk taken by a manager in managing a portfolio.

Table 5
Tracking error ranges by portfolio

Portfolio	*Tracking error (percentage per annum)*
Government bonds	0.75-1.00
Diversified fixed-interest	0.75-1.00
Inflation-linked	2.00
Held-to-maturity	Not applicable

The investment portfolio's tracking error at 31 December 2009, based on a three-year history, was 0.28 per cent.

(h) Credit risk

The investment guidelines set credit floors for the eligibility of securities and counterparties. The eligibility of banks and bond issues is determined on the basis of ratings made by major credit-rating agencies. The minimum credit ratings for the portfolios of IFAD's overall investment portfolio, as allowed by the investment guidelines are shown in table 6.

Table 6
Minimum credit ratings per investment guidelines

Portfolio	*Securities*	*Time deposits and CDs*[a]	*Spot and forwards*[b]	*IRS*[b]
Short-term liquidity	n/a	A-1/P-1	n/a	n/a
Government bonds[c]	Moody's Aa3 or S&P AA- or Fitch AA-	A-1/P-1	A-1/P-1	n/a
Diversified fixed-interest[c]	Moody's Aa3 or S&P AA- or Fitch AA (exception: MBS and ABS AAA/Aaa by two of the three agencies	A-1/P-1	A-1/P-1	AA-/Aa3
Inflation-linked[c]	Moody's Aa3 or S&P AA-	A-1/P-1	A-1/P-1	n/a
Held-to-maturity (HTM)	Moody's Aa3 or S&P AA- (exception: corporate bonds AAA/Aaa)	A-1/P-1	n/a	n/a

[a] Minimum credit rating (Moody's P-1 or S&P A-1) refers to the bank.
[b] Minimum credit rating refers to the counterparty.
[c] Futures and options are allowed if traded on regulated exchanges.

Note: ABS=asset backed securities; IRS=interest rate swaps; MBS=mortgage backed securities.

At 31 December 2009, the average credit ratings by portfolio were in line with the minimum ratings allowed by investment guidelines (table 7).

Table 7
Average credit ratings by portfolio (IFAD only)
As at 31 December 2009 and 2008

	Credit rating [a]	
Portfolio	*2009*	*2008*
Short-term liquidity	P1	P1
Government bonds	Aaa	Aaa
Diversified fixed-interest	Aa1	Aaa
Inflation-linked	Aaa	Aaa
Held-to-maturity	Aaa	Aaa

[a] The average credit rating is calculated based on market values at 31 December 2009 and 2008 except for the held-to-maturity portfolio average rating, which is calculated on face values. Moody's credit ratings have been applied.

The credit ratings of the cash collateral are presented in note 4(j).

(i) Held-to-maturity investments

	Thousands of United States dollars equivalent			
	US$	Euro	*Pound sterling*	*All currencies*
Corporate bonds	61 785	68 618	8 080	138 483
Government agencies	113 130	63 232	8 360	184 722
Government bonds	10 170	38 308	-	48 478
Supranational	10 252	20 874	-	31 126
Total 2009	**195 337**	**191 032**	**16 440**	**402 809**
Total 2008	204 588	188 047	14 517	407 152

The fair value of held-to-maturity investments as at 31 December 2009 was US$418,592,000 (2008 – US$418,769,000).

The maturity structure of held-to-maturity investments as at 31 December is as follows:

	Thousands of United States dollars	
Period due	*2009*	*2008*
Less than one year	88 632	94 284
1-2 years	73 399	87 924
2-3 years	77 951	73 052
3-4 years	78 852	75 340
4-5 years	74 349	76 552
5-6 years	9 626	-
Total	**402 809**	**407 152**

All investments due in less than one year have a maturity of more than three months from the date of purchase.

(j) Securities lending

IFAD enters into collateralized securities lending transactions that may result in credit exposure in the event that the counterparty is unable to fulfil contractual obligations. The global custodian, on behalf of IFAD, monitors the adequacy of collateral on a daily basis, requiring additional collateral in accordance with the agreement when deemed necessary (below a predetermined level). Counterparty credit exposure is monitored by both IFAD and the global custodian. IFAD retains the market risk associated with the securities purchased with cash collateral received. In 2008, the Fund, through an amendment to the original agreement with the global custodian, transferred its share of collateral to a custom collateral account. The investment guidelines specifically established for the custom account are more restrictive than IFAD's general investment guidelines. These set thresholds for determining the eligibility of securities, credit floors and the weighted average life of investments (maximum 30 days for the custom collateral account). A large proportion of the assets received as cash collateral is kept in highly liquid instruments in order to address, inter alia, the modest liquidity risk associated with some of the mortgage-backed and asset-backed securities in the portfolio. An analysis of cash collateral investments by currency, credit rating and maturity structure is set out below.

	Thousands of United States dollars	
	2009	*2008*
United States dollar	215 780	455 953
Euro	-	-
Total	**215 780**	**455 953**

Table as at 31 December 2009:

	Thousands of United States dollars				
	AAA	*AA*	*A*	*BBB*	*Total*
Cash	92 991	-	-	-	92 991
Corporate bonds	-	19 191	6 784	-	25 975
Banking industry	-	2 825	10 168	-	12 993
Mortgage backed securities	8 303	-	592	168	9 063
Asset backed securities	70 565	1 639	216	2 338	74 758
Total	**171 859**	**23 655**	**17 760**	**2 506**	**215 780**

Table as at 31 December 2008:

	Thousands of United States dollars				
	AAA	*AA*	*A*	*BBB*	*Total*
Cash	167 829	-	-	-	167 829
Corporate bonds	23 221	12 879	39 553	2 758	78 411
Government agencies	54 658	-	-	-	54 658
Government bonds	29 910	-	-	-	29 910
Banking industry	-	8 101	6 247	-	14 349
Mortgage backed securities	12 245	1 890	959	3 382	19 476
Asset backed securities	87 283	1 459	503	2 075	91 321
Total	**376 147**	**24 330**	**47 262**	**8 215**	**455 953**

Note: The above table applies the most conservative credit rating among Moody's, Standard & Poor's and Fitch.

The maturity structure of cash collateral investments as at 31 December 2009 is as follows:

	Thousands of United States dollars	
Period due	*2009*	*2008*
Less than one year	163 407	340 126
1-2 years	36 589	76 296
2-3 years	13 113	28 682
3-4 years	2 671	10 849
Total	**215 780**	**455 953**

Note: The maturity structure represents the financial maturities of the reinvested cash collateral, not the legal maturities.

(k) Currency risk

IFAD's investment portfolio is used to minimize IFAD's overall currency risk. The majority of IFAD's commitments relate to undisbursed loans and grants denominated in SDR. Consequently, the overall assets of the Fund are maintained, to the extent possible, in the currencies and ratios of the SDR valuation basket. Similarly, the General Reserve and commitments for grants denominated in United States dollars are matched by assets denominated in United States dollars.

The monitoring of the status of alignment to the SDR valuation basket is usually performed on a monthly basis.

In case of misalignments that are considered persisting and significant, Management undertakes a realignment procedure by changing the currency ratios in IFAD's investment portfolio so as to realign the total assets to the desired SDR weights.

The degree of currency alignment of IFAD's overall assets subject to SDR alignment at 31 December 2009 is shown in table 8.

Table 8
Alignment of assets to SDR basket (IFAD-only)
As at 31 December 2009

Currency group	*Net asset amount (%)*	*SDR weights*	*Difference*
United States dollar	39.8	40.4	(0.6)
Euro	37.0	37.6	(0.6)
Japanese yen	14.3	12.7	1.6
Pound sterling	8.9	9.3	(0.4)
Total	**100.0**	**100.0**	**-**

At 31 December 2009, had the United States dollar depreciated (appreciated) by 10 per cent over the three other currencies in the SDR basket, the alignment of IFAD's assets would have been as shown in table 9.

Table 9
Sensitivity of alignment of assets to SDR basket (IFAD-only)
As at 31 December 2009

	Difference towards SDR weights	
Currency group	*-10% of US$ (%)*	*+10% of US$ (%)*
United States dollar	(1.9)	3.0
Euro	2.2	(0.9)
Japanese yen	(1.1)	(2.1)
Pound sterling	0.8	0.0
Total	**-**	**-**

To seek higher returns, the Fund may invest in securities denominated in currencies other than those included in the SDR valuation basket, and enter into covered forward foreign-exchange agreements in order to maintain the matching in currency terms, of commitments denominated in SDRs and United States dollars.

(l) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents to meet loan and grant disbursements as well as other administrative outflows as they arise. IFAD's Treasury maintains flexibility in funding by calculating estimated availability of funds from all relevant sources and monitors the liquidity situation based on various time lines. IFAD developed a liquidity policy, which was approved by the Executive Board in December 2006, to provide further safeguards in this area. The liquidity policy requires a minimum level of highly liquid assets in IFAD's investment portfolio equal to 60 per cent of the total annual gross disbursements (cash outflows) and potential additional requirements due to liquidity shocks during the Seventh Replenishment period (2007 to 2009). The current balance of highly liquid assets comfortably covers the minimum liquidity requirements. The appropriateness of the liquidity level is under review, taking into account the increasing programme of work and changing liquidity requirements for the Eighth Replenishment period (2010 to 2012).

(m) Capital risk

The overall resource policy is reviewed by Management on a regular basis. A joint review with the principal stakeholders is also carried out at least once during each replenishment process. IFAD closely monitors its resource position on a regular basis in order to safeguard its ability to continue as a going concern. Consequently, it adjusts the amount of new commitments of loans and grants to be made during each calendar year dependent on the resources available. Longer term resource forecasting is carried out within the analysis performed through IFAD's financial model.

NOTE 5

CONTRIBUTORS' PROMISSORY NOTES AND RECEIVABLES

	Thousands of United States dollars	
	2009	*2008*
Promissory notes to be encashed		
Replenishment contributions	387 911	276 728
BSF contributions	21 228	20 565
Total	**409 139**	**297 293**
Fair value adjustment	(8 648)	(13 313)
Promissory notes to be encashed at fair value	**400 491**	**283 980**
Contributions receivable		
Replenishment contributions	390 427	211 617
BSF contributions	28 509	32 862
Supplementary contributions	84 375	45 689
Total	**503 311**	**290 168**
Fair value adjustment	(18 368)	(9 107)
Contributions receivable at fair value	**484 943**	**281 061**

(a) Initial, First, Second, Third, Fourth, Fifth, Sixth and Seventh Replenishment contributions

These contributions have been fully paid except as detailed in note 6 and in the table below:

Contributions not paid/encashed (as at 31 December 2009)

	Thousands of United States dollars	
Donor	*Replenishment*	*Amount*
Brazil[a]	Sixth	2 639
United States [b]	Sixth	459
Brazil [a]	Seventh	7 916
Bolivia (Plurinational State of)	Seventh	100
Egypt [a]	Seventh	2 100
France [a]	Seventh	34 434
Germany [a]	Seventh	14 000
Guatemala	Seventh	5
Japan [a]	Seventh	9 763
Nigeria	Seventh	289
Pakistan	Seventh	1 587
Switzerland [a]	Seventh	13 453
Tunisia	Seventh	200
United Kingdom [a b]	Seventh	13 432
United States [a b]	Seventh	30 857

[a] Cases for which Members and IFAD have agreed to special encashment schedules.
[b] Part of this balance relates to a promissory note not deposited as at 31 December 2009.

(b) Eighth Replenishment

Details of contributions and payments made for the Eighth Replenishment are shown in appendix G. The Eighth Replenishment became effective on 1 December 2009.

(c) Special Programme for Africa (SPA)

Details of contributions to the SPA under the First and Second phases are shown in appendix G.

(d) Credit risk

Because of the sovereign status of IFAD's donor contributions, the Fund expects that each of its contributions for which a legally binding instrument has been deposited will ultimately be received. Collectability risk is covered by the provisions on contributions.

NOTE 6

PROVISIONS

The fair value of the provisions is equivalent to the nominal value given that the underlying receivables/promissory notes are already due at the balance sheet date.

In accordance with IFAD's policy, the Fund has established provisions at 31 December as follows:

	Thousands of United States dollars	
	2009	*2008*
Balance at beginning of the year	**168 485**	**168 485**
Total movements	(37)	0
Balance at end of year	**168 448**	**168 485**
Analysed as:		
Promissory notes of contributors (a)	80 861	80 898
Amounts receivable from contributors (b)	87 587	87 587
Total	**168 448**	**168 485**

(a) Provisions against promissory notes

As at 31 December 2009, all IFAD replenishment contributions deposited in the form of promissory notes up to and including the Seventh Replenishment have been fully drawn down. (31 December 2008 – 65 per cent up to the Seventh Replenishment).

As at 31 December 2009 and 2008, all First and Second phase SPA contributions have been fully drawn down.

In accordance with the policy, the Fund has established provisions against promissory notes as at 31 December:

	Thousands of United States dollars	
	2009	*2008*
IFAD		
Initial contributions		
Iran (Islamic Republic of)	29 358	29 358
Iraq	13 717	13 717
	43 075	43 075
First Replenishment		
Iraq	31 099	31 099
	31 099	31 099
Second Replenishment		
Mauritania	0	2
	0	2
Third Replenishment		
Democratic People's Republic of Korea	600	600
Libyan Arab Jamahiriya	6 087	6 087
Mauritania	0	25
	6 687	6 712
Total IFAD	**80 861**	**80 888**
SPA		
First phase		
Mauritania	0	10
Total SPA	**0**	**10**
Grand total	**80 861**	**80 898**

(b) Provisions against amounts receivable from contributors

In accordance with its policy, the Fund has established provisions against some of these amounts:

	Thousands of United States dollars	
	2009	*2008*
Initial contributions		
Comoros	10	10
Iran (Islamic Republic of)	83 167	83 167
	83 177	83 177
Second Replenishment		
Iraq	2 000	2 000
	2 000	2 000
Third Replenishment		
Iran (Islamic Republic of)	2 400	2 400
Sao Tome and Principe	10	10
	2 410	2 410
Total	**87 587**	**87 587**

NOTE 7

OTHER RECEIVABLES

	Thousands of United States dollars	
	2009	*2008*
Receivables for investments sold	37 685	67 388
Other receivables	30 196	37 506
Total	**67 881**	**104 894**

The amounts above are all expected to be received within one year of the balance sheet date.

NOTE 8

FIXED AND INTANGIBLE ASSETS

	Thousands of United States dollars		
	2009		
	1 January	Additions	31 December
Cost			
Computer hardware	565	355	920
Computer software	64	595	659
Furniture and fittings	412	222	634
Total	**1 041**	**1 172**	**2 213**
Depreciation			
Computer hardware	(10)	(308)	(318)
Computer software	(1)	(21)	(22)
Furniture and fittings	(34)	(37)	(71)
Total	**(45)**	**(366)**	**(411)**
Net fixed and intangible assets	**996**	**806**	**1 802**

NOTE 9

LOANS

(a) Accumulated allowance for impairment losses

An analysis of the accumulated allowance for loan impairment losses is shown below:

	Thousands of United States dollars	
	2009	*2008*
Balance at beginning of year	133 103	173 990
Net (decrease) in allowance	(37 096)	(36 945)
Revaluation	2 417	(3 942)
Balance at end of year at nominal value	**98 424**	**133 103**
Fair value adjustment	(71 113)	(70 281)
Total	**27 311**	**62 822**

All loans included within the accumulated allowance are 100 per cent impaired.

(b) Non-accrual status

For loans with overdue amounts in non-accrual status, had these amounts been recognized as income, income from loans as reported in the statement of revenues and expenses for the year 2009 would have been greater by US$2,294,000 (2008 – US$2,835,000). The corresponding figures relating to IFAD were US$2,262,000 (2008 – US$2,803,000) and SPA were US$32,000 (2008 – US$32,000). The Member States concerned are shown below:

(i) **Borrowers in non-accrual status – IFAD**
As at 31 December 2009

	Thousands of United States dollars			
	Principal outstanding	*Principal overdue*	*Income not accrued in 2009*	*In arrears since*
Cuba	12 992	12 992	513	Sept 1989
Democratic People's Republic of Korea	8 170	1 634	91	Apr 2009
Democratic Republic of the Congo	23 202	6 659	247	Feb 1993
Equatorial Guinea	2 843	158	18	Mar 2009
Guinea-Bissau	6 857	2 087	70	Nov 1995
Liberia	15 918	12 437	456	Nov 1995
Somalia	27 050	15 529	267	Jan 1991
Zimbabwe	25 912	14 851	600	Oct 2001
Total	122 944	66 347	2 262	

(ii) **Borrowers in non-accrual status – SPA**
As at 31 December 2009

	Thousands of United States dollars			
	Principal outstanding	*Principal overdue*	*Income not accrued in 2009*	*In arrears since*
Guinea-Bissau	3 200	956	32	Dec 1995
Total	3 200	956	32	

The income from loans reported in the statement of revenues and expenses for 2009 includes US$1,442,000 (2008 – US$4,273,000) in respect of income received relating to prior-year accruals.

Details of loans approved and disbursed and of loan repayments appear in appendix H.

(c) Further analysis of loan balances

	Thousands of United States dollars	
	2009	*2008*
IFAD approved loans less cancellations and the adjustment for movement in value of total SDR loans in terms of US$ (appendix H)		
2009 – US$9 645 695 **2008 – US$9 108 152**		
Effective loans	9 078 516	8 458 277
Less: Undisbursed balance of effective loans	(2 405 049)	(2 265 755)
Repayments	(1 617 360)	(1 462 618)
Interest/principal receivable	23 183	18 967
Loans outstanding at nominal value	**5 079 290**	**4 748 871**
Fair value adjustment	(1 225 698)	(1 129 484)
Loans outstanding at fair value	**3 853 592**	**3 619 387**
SPA approved loans less cancellations and the adjustment for movements in value of total SDR loans in terms of US$ (appendix H)		
2009 – US$347 105 **2008 – US$342 226**		
Effective loans	347 105	342 226
Less: Undisbursed balance of effective loans	(228)	(308)
Repayments	(79 972)	(70 542)
Interest/principal receivable	782	694
Loans outstanding at nominal value	**267 687**	**272 070**
Fair value adjustment	(114 611)	(113 850)
Loans outstanding at fair value	**153 076**	**158 220**

Total approved loans less cancellations and the adjustment for movements in value of SDR loans in terms of US$ 2009 –US$9 992 800 2008 – US$9 450 378		
Effective loans	9 425 621	8 800 503
Undisbursed balance of effective loans	(2 405 277)	(2 266 063)
Repayments	(1 697 332)	(1 533 160)
Interest/principal receivable	23 965	19 661
Loans outstanding at nominal value	**5 346 977**	**5 020 941**
Fair value adjustment	(1 340 309)	(1 243 334)
Loans outstanding at fair value	**4 006 668**	**3 777 607**

(d) Credit risk

Because of the nature of its borrowers and guarantors, the Fund expects that each of its sovereign guaranteed loans will ultimately be repaid. Collectability risk is covered by both the accumulated allowance for loan impairment losses and the accumulated allowance for the HIPC Debt Initiative. Loans with amounts overdue more than 180 days are placed in non-accrual status.

(e) Market risk

The interest rate risk associated with IFAD's loan portfolio is believed to be minimal, as 92.5 per cent (31 December 2008 – 91.7 per cent) of the current outstanding portfolio relate to borrowers on highly concessional terms, hence not subject to variation on an annual basis. An analysis of the portfolio by type of lending term is presented in appendix H, sections 4 and 9.

(f) Fair value estimation

The assumptions used in determining fair value are not sensitive to changes in discount rates. The associated impact of the exchange rate movement between SDR and United States dollars is closely monitored.

NOTE 10

FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	Thousands of United States dollars		
2009	*Loans and receivables*	*Assets at fair value through profit and loss*	*Held-to-maturity*
Net loans outstanding		3 889 266	
Other receivables	67 881		
Held-to-maturity investments			402 809
Other financial assets at fair value through profit and loss		3 019 765	
Cash and equivalents		421 354	
Total	**67 881**	**7 330 385**	**402 809**

	Thousands of United States dollars		
2008	*Loans and receivables*	*Assets at fair value through profit and loss*	*Held-to-maturity*
Net loans outstanding		3 596 800	
Other receivables	104 894		
Held-to-maturity investments			407 152
Other financial assets at fair value through profit and loss		3 281 163	
Cash and equivalents		491 548	
Total	**104 894**	**7 369 511**	**407 152**

NOTE 11

DEBT INITIATIVE FOR HEAVILY INDEBTED POOR COUNTRIES

(a) Impact of the HIPC Debt Initiative

IFAD has funded the HIPC Debt Initiative in the amount of US$94,670,000 during the period 1998-2009. Details of funding from external donors on a cumulative basis are found in appendix D1.

For a summary of debt relief reimbursed since the start of the Initiative and of that expected in the future, please refer to appendix I. Debt relief approved by the Executive Board to date excludes all amounts relating to the enhanced Debt Initiative for the Comoros, Eritrea, Somalia and The Sudan. Authorization for IFAD's share of this debt relief is expected to be given by the Executive Board in 2010-2012. At the time of preparation of the 2009 consolidated financial statements, the estimate of IFAD's share of the overall debt relief for these countries, principal and interest, was US$156,251,000 (2008 – US$179,075,000).

Gross investment income amounted to US$43,510 (2008 – US$1,630,000) from the HIPC Trust Fund balances.

The total cumulative cost of debt relief derives from the following sources:

	Thousands of United States dollars		
	2009	*Movement*	*2008*
IFAD contributions 1998-2009	94 670	-	94 670
Total contributions from external sources (appendix D1)	193 741	18 090	175 651
Net cumulative investment income	7 931	44	7 887
Short fall between debt relief approved and funds available	157 642	127 708	29 934
Cumulative net exchange rate movements	39 761	2 856	36 905
Total (appendix I)	**493 745**	**148 698**	**345 047**

(b) Accumulated allowance for the HIPC Debt Initiative

The balances for the years ended 31 December are summarized below:

	Thousands of United States dollars	
	2009	*2008*
Balance at beginning of year	160 337	148 004
New approvals	4 644	26 584
Change in provision	(20 663)	(11 320)
Exchange rate movements	2 856	(2 931)
Balance at end of year	147 174	160 337
Fair value adjustment	(57 083)	(42 352)
Fair value equivalent	**90 091**	**117 985**

NOTE 12

PAYABLES AND LIABILITIES

	Thousands of United States dollars	
	2009	*2008 Restated*
Cash collateral liabilities	217 872	474 229
Payable for investments purchased	100 464	210 565
ASMCS liability	60 919	50 113
Other payables and accrued liabilities	60 249	65 948
	221 632	326 626
Total	**439 504**	**800 855**

Of the total above, approximately US$157,075,000 (2008 – US$187,623,000) is estimated to be payable in more than one year from the balance sheet date.

NOTE 13

DEFERRED REVENUES

Deferred contribution balances represent contributions received for which the revenue recognition has been deferred to future periods to match the related costs. Deferred income includes amounts relating to service charges received for which the related costs have not yet been incurred.

	Thousands of United States dollars	
	2009	*2008*
Deferred revenues	214 539	275 256
Fair value adjustment	(5 492)	(5 810)
Fair value equivalent	**209 047**	**269 445**

NOTE 14

NET FOREIGN EXCHANGE GAINS/LOSSES

The following rates of 1 unit of SDR in terms of United States dollars as at 31 December were used:

Year	*United States dollars*
2009	1.56372
2008	1.53480
2007	1.57592

The movement in the account for foreign exchange rates is explained as follows:

	Thousands of United States dollars	
	2009	*2008*
Opening balance at 1 January	**860 796**	**1 027 548**
Exchange movements for the year on:		
Cash and investments	44 855	(67 187)
Net receivables/payables	3 600	(4 231)
Loans and grants outstanding	69 985	(93 208)
Promissory notes and Members' receivables	12 040	(20 617)
Member States' contributions	(2 257)	18 491
Total movements in the year	**128 223**	**(166 752)**
Closing balance at 31 December	**989 019**	**860 796**

The movement on this account excludes the gain/loss related directly to operations, which instead is included in total foreign exchange rate movements.

NOTE 15

INCOME FROM CASH AND INVESTMENTS

(a) Investment management

Since 1994, a major part of IFAD's investment portfolio has been entrusted to external investment managers under investment guidelines provided by the Fund. At 31 December 2009, funds under external management amounted to US$1,955,860,000 (2008 – US$1,892,000,000), representing some 75 per cent (2008 – 75 per cent) of total cash and investments. In addition, the cash collateral portfolio is managed by the global custodian.

(b) Derivative instruments

The Fund's investment guidelines authorize the use of the following types of derivative instruments for hedging purposes (although they are not qualified for hedging accounting), primarily to ensure alignment to the SDR basket:

(i) Futures

Future contracts open at year end were as follows:

	2009	*2008*
Number of contracts open:		
Buy	1 101	1143
Sell	719	462
Net unrealized gains of open contracts (US$ '000)	2 550	5 767
Maturity range of open contracts (days)	67 to 809	65 to 803

The underlying instruments of future contracts open at 31 December 2009 were government bonds and currencies.

(ii) Options

IFAD only permits the use of investment in exchange-traded options. It does not write option contracts. Relevant data for options at year end were as follows:

	31 December	
	2009	*2008*
Number of contracts open:		
Buy	852	504
Sell	469	382
Market value of open contracts (US$ '000)	(34)	(183)
Net unrealized gains/(losses) of open contracts (US$ '000)	(44)	(512)
Maturity range of open options (days)	22 to 349	23 to 257

The underlying instruments of option contracts open at 31 December 2009 were government bonds and money market indexes.

(iii) Covered forwards

The unrealized market-value loss on forward contracts at 31 December 2009 amounted to US$8,753,339 (2008 – gain of US$26,752,000). The maturity of forward contracts at 31 December 2009 ranged from 7 to 82 days (31 December 2008 – 5 to 77 days).

The underlying instruments of forward contracts open at 31 December 2009 were currencies.

(iv) Swaps

	31 December	
	2009	*2008*
Number of contracts open:		
Buy	0	1
Sell	0	1
Net unrealized gains of open contracts (US$ '000)	-	(773)
Nominal value (US$ '000)	-	6,100

(c) *Income from cash and investments*

The gross income from cash and investments for the year ended 31 December 2009 amounted to US$116,493,000 (2008 – gross income of US$136,273,000). This figure is gross of direct charges against investment income of US$4,761,000 (2008 – US$4,637,000), which are included in expenses.

	Thousands of United States dollars		
	2009		
	*MTM**	*HTM**	*Total*
Interest from fixed-income Investments	64 750	18 004	**82 754**
Net income from futures/ options and swaps	(74)	-	**(74)**
Realized capital (loss)/gain from fixed-income securities	38 613	(879)	**37 734**
Unrealized gain/(loss) from fixed-income securities	(23 189)	-	**(23 189)**
Unrealized gain/(loss) on assets held as cash collateral on securities lent	17 007	-	**17 007**
Income from securities lending	1 073	227	**1 300**
Interest income from banks and non-convertible currencies	959	2	**961**
Total	**99 139**	**17 354**	**116 493**

*MTM=Marked to market; HTM=Held-to-maturity

	Thousands of United States dollars		
	2008		
	*MTM**	*HTM**	*Total*
Interest from fixed-income investments	78 044	17 375	**95 419**
Net loss from futures and options	4 010	-	**4 010**
Realized capital loss from fixed-income securities	28 298	(511)	**27 787**
Unrealized loss from fixed-income securities	13 035	-	**13 035**
Unrealized gain/(loss) on assets held as cash collateral on securities lent	(18 276)	-	**(18 276)**
Income from securities lending	4 463	820	**5 283**
Interest income from banks and non-convertible currencies	8 990	25	**9 015**
Total	**118 564**	**17 709**	**136 273**

*MTM=Marked to market; HTM=Held-to-maturity

For held-to-maturity investments, realized capital gains/(losses) relate to amortization.

The above figures include income for the consolidated entities, as follows:

	Thousands of United States dollars	
	2009	*2008*
IFAD	114 999	131 257
ASMCS Trust Fund	869	1 722
HIPC Trust Fund	49	1 630
BSF.JP	417	1 217
Other supplementary funds	988	4 148
Less: income deferred/reclassified	(829)	(3 701)
Total	**116 493**	**136 273**

The annual rate of return on consolidated cash and investments in 2009 was positive 4.06 per cent net of expenses (2008 – positive 5.14 per cent net of expenses).

The annual rate of return on IFAD cash and investments in 2009 was positive 4.45 per cent net of expenses (2008 – positive 5.45 per cent net of expenses).

NOTE 16

INCOME FROM OTHER SOURCES

This income relates principally to reimbursement from the host Government for specific operating expenses. It also includes service charges received from entities housed at IFAD as compensation for providing administrative services. An analysis is given below:

Consolidated	*Thousands of United States dollars*	
	2009	*2008*
Service charges	740	211
Host Government income	8 957	16 876
Income from other sources	144	1 774
Total	**9 841**	**18 861**

IFAD only	*Thousands of United States dollars*	
	2009	*2008*
Service charges	4 098	4 425
Host Government income	8 957	16 876
Income from other sources	1 011	1 723
Total	**14 066**	**23 025**

NOTE 17

INCOME FROM CONTRIBUTIONS

	Thousands of United States dollars	
	2009	*2008*
IFAD	30 000	0
Supplementary funds	189 824	30 636
BSF.JP	6 054	1 925
Total	**225 878**	**32 561**

From 2007, contributions to the HIPC Debt Initiative have been offset against the HIPC Debt Initiative expenses.

NOTE 18

OPERATING EXPENSES

An analysis of IFAD-only operating expenses by principal funding source is shown in appendix J. The breakdown of the consolidated figures is set out below:

	Thousands of United States dollars	
	2009	*2008*
IFAD	147 089	148 506
Other entities	10 078	26 516
Total	**157 167**	**162 497**

The Programme Development Financing Facility (PDFF) finances the multi-year expenses required for the design, implementation and supervision of projects and programmes financed by loans and grants from IFAD. When an obligation is incurred in relation to the PDFF, the related costs are recorded as a separate line item within expenses in the statement of revenues and expenses and as a liability in the balance sheet for undisbursed accrued amounts. PDFF commitments are recorded as a deduction from resources available for commitment upon effectiveness of the underlying activities, based on specific milestones for each type of activity.

The costs incurred relating to PDFF, and other funding sources including the Action Plan, are classified in the accounts in accordance with the underlying nature of the expense.

NOTE 19

STAFF NUMBERS, RETIREMENT PLAN AND MEDICAL SCHEMES

(a) Staff numbers

Employees that are on IFAD's payroll are part of the retirement and medical plans offered by IFAD. These schemes include participation in the United Nations Joint Staff Pension Fund (UNJSPF) and in the After-Service Medical Coverage Scheme (ASMCS) administered by FAO.

The number of full-time equivalent employees of the Fund and other consolidated entities in 2009 eligible for participation in the IFAD retirement plan was as follows (breakdown by principal budget source):

	Professional	*General Service*	*Total*
IFAD administrative budget	170	179	349
IFAD PDFF	29	24	53
IFAD other sources	32	20	52
BSF.JP	2	1	3
APO/SPO*	14	-	14
Programmatic funds	2	1	3
Total 2009	**249**	**225**	**474**
Total 2008**	**244**	**233**	**477**

**Associate professional officer/special programme officer*
*** Restated to reflect the full-time-equivalent for pension.*

(b) Non-staff

As in previous years, to meet its operational needs IFAD engaged the services of consultants, conference personnel and other temporary staff, who are also covered by an insurance plan.

(c) Retirement plan

The latest actuarial valuation for the UNJSPF was prepared as at 31 December 2007. This valuation revealed an actuarial surplus, amounting to 0.49 per cent of pensionable remuneration. IFAD makes contributions on behalf of its staff (currently paid as 7.9 per cent of pensionable remuneration by the employee and 15.8 per cent by IFAD) and would be liable for its share of the unfunded liability, if any. Total retirement plan contributions made for staff in 2009 amounted to US$9,806,000 (2008 – US$8,984,000).

(d) After-Service Medical Coverage Scheme

The latest actuarial valuation for the ASMCS was carried out as at 31 December 2009. The methodology used was the projected unit-credit-cost method with service prorates. The principal actuarial assumptions used were as follows: discount rate, 5.1 per cent; return on invested assets, 5.0 per cent; expected salary increase, 5.0 per cent; medical cost increase, 5.0 per cent; inflation, 3.0 per cent; and exchange rate euro:US$1.44. The results determined IFAD's liability as at 31 December 2009 to be some US$60,919,000. The 2009 and 2008 financial statements include a provision and related assets constituted as follows as at 31 December:

	Thousands of United States dollars	
	2009	*2008*
Past service liability		
Total provision at 1 January	(50 113)	(41 355)
Interest cost	(2 359)	(2 242)
Current service charge	(2 759)	(1 969)
Reclassification/current service charge from non-IFAD entities	567	-
Actuarial losses	(6 255)	(4 547)
Provision at 31 December	**(60 919)**	**(50 113)**
Plan assets		
Total assets at 1 January	57 482	46 199
Interest earned on balances	869	1 722
Contributions	0	9 561
Exchange rate movement	1 663	
Total assets at 31 December	**60 014**	**57 482**

ASMCS assets are currently invested in cash and time deposits in accordance with IFAD's investments policy.

IFAD provides for the full annual current service costs of this medical coverage, including its eligible retirees. In 2009, such costs included under staff salaries and benefits in the financial statements amounted to US$5,118,000 (2008 – US$4,211,000).

Based on the 2009 results and the recent actuarial evaluation, the assets already held in the irrevocable trust fund are sufficient to cover the current level of liabilities.

(e) Actuarial valuation risk of the ASMC Scheme

A sensitivity analysis of the principal assumptions of the liability and service cost contained within the group data as at 31 December 2009 is shown below:

Impact on	*Liability (percentage)*	*Service cost (percentage)*
Medical inflation:		
6.0 per cent instead of 5.0 per cent	25.9	36.4
4.0 per cent instead of 5.0 per cent	(20.6)	(26.6)

NOTE 20

DIRECT BANK AND INVESTMENT COSTS

	Thousands of United States dollars	
	2009	*2008*
Investment management fees	(3 624)	(3 546)
Other charges	(652)	(641)
Tax recoverable (paid)/ received	7	2
Total	**(4 269)**	**(4 185)**

NOTE 21

ADJUSTMENT FOR CHANGE IN FAIR VALUE

An analysis of the movement in fair value is shown below:

	Thousands of United States dollars	
	2009	*2008*
Loans outstanding	(72 499)	53 245
Accumulated allowance for loan impairment losses	(6 485)	(44 076)
Accumulated allowance for HIPC Debt Initiative	13 932	(6 165)
Net loans outstanding	(65 052)	3 004
Contributors' promissory notes	3 639	157
Contributions receivable	(13 049)	(14 589)
Contributions	4 915	20 695
Undisbursed grants	46 385	(3 800)
Deferred revenues	4 495	(6 263)
Total	**(18 667)**	**(796)**

NOTE 22

HOUSED ENTITY DISCLOSURES

Grants include annual funding for entities housed at IFAD, i.e. ILC and the Global Mechanism as follows:

	Thousands of United States dollars	
	2009	*2008*
ILC	-	1 148
Global Mechanism	-	1 232
HLTF	200	-
Total	**200**	**2 380**

At 31 December liabilities owed to/(from) IFAD by the Global Mechanism and ILC were:

	Thousands of United States dollars	
	2009	2008
ILC	(266)	528
Global Mechanism	1 374	(389)
HLTF	37	
Total	**1 145**	**139**

NOTE 23

CONTINGENT LIABILITIES AND ASSETS

(a) Contingent liabilities

IFAD has contingent liabilities in respect of debt relief announced by the World Bank/International Monetary Fund for nine countries. See note 11 for further details of the potential cost of loan principal and interest relating to these countries, as well as the future interest not accrued on debt relief already approved as shown in appendix I.

(f) Contingent assets

Following a ruling by the International Labour Organization Administrative Tribunal (ILOAT) regarding a staff member of the Global Mechanism, an entity hosted by IFAD, IFAD has been directed to pay damages and costs to the staff member. Consequently, a provision has been made in IFAD's accounts for this probable liability in the amount of US$300,000. As the staff member was an employee of the Global Mechanism and her remuneration was funded by the Global Mechanism budget, IFAD is appealing the ILOAT ruling on the grounds that the Global Mechanism should be liable for any damages in this case. Contingent on the positive outcome of such an appeal, this amount will be reimbursed to IFAD by the Global Mechanism; hence the disclosure of this contingent asset.

NOTE 24

DATE OF AUTHORIZATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are authorized for issue following the recommendation of the Audit Committee in April 2010 and endorsement by the Executive Board in April 2010. The 2009 consolidated financial statements will be submitted to the Governing Council for formal approval at its next session in February 2011. The 2008 consolidated financial statements were approved by the Governing Council at its thirty-third session in February 2010.

Statement of complementary and supplementary contributions and unspent funds

Statement of cumulative supplementary contributions including project cofinancing from 1978 to 2009[1]
(Expressed in thousands of United States dollars)

Member States	*Project cofinancing*	*APOs*	*Other supplementary funds*	*GEF*	*Total*
Algeria			100		**100**
Angola			7		**7**
Australia[2]	2 721		84		**2 805**
Austria	755				**755**
Bangladesh			57		**57**
Belgium	10 432	758	727		**11 917**
Belgium for BSF.JP[3]			72 778		**72 778**
Cameroon			23		**23**
Canada	1 535		3 560		**5 095**
China			245		**245**
Colombia			25		**25**
Denmark	4 147	3 326	3 946		**11 419**
Finland	2 744	2 767	4 966		**10 477**
France	1 032	1 017	3 846		**5 895**
Germany	46	5 314	6 934		**12 294**
Ghana			100		**100**
Greece			100		**100**
India			1 000		**1 000**
Indonesia			50		**50**
Ireland	6 723		772		**7 495**
Italy	25 447	5 288	28 335		**59 070**
Japan	1 876	2 026	3 972		**7 874**
Jordan			15		**15**
Kuwait			143		**143**
Luxembourg	1 412		1 073		**2 485**
Madagascar			57		**57**
Malaysia			28		**28**
Morocco			107		**107**
Netherlands	85 745	4 629	10 405		**100 779**
Nigeria			50		**50**
Norway	21 942	1 646	6 381		**29 969**
Pakistan			25		**25**
Paraguay			15		**15**
Portugal	142		738		**880**
Qatar			72		**72**
Republic of Korea		3 231			**3 231**
Saudi Arabia			143		**143**
Senegal			15		**15**
South Africa			10		**10**
Spain	567		12 414		**12 981**
Suriname	2 019				**2 019**
Sweden	9 379	2 546	15 886		**27 811**
Switzerland	8 384	343	8 649		**17 376**
Turkey			148		**148**
United Kingdom	20 777		16 955		**37 732**
United States		322	86		**408**
Total Member States	**207 825**	**33 213**	**205 042**		**446 080**

[1] Non-US$ contributions have been translated at the year-end exchange rate.
[2] Australia's withdrawal from IFAD membership became effective 31 July 2007.
[3] The contribution from Belgium includes US$942,000 provided by the Belgian Survival Fund Joint Programme (BSF.JP).

Statement of complementary and supplementary contributions and unspent funds

Statement of cumulative supplementary contributions including project cofinancing from 1978 to 2009[1] (cont.)
(Expressed in thousands of United States dollars)

Non-Member States and other sources	*Project cofinancing*	*APOs*	*Other supplementary funds*	*GEF*	*Total*
African Development Bank	2 800		1 053		**3 853**
Arab Bank	1 086		25		**1 111**
Arab Fund for Economic and Social Development	2 983				**2 983**
Arab Gulf Programme for United Nations Development Organizations	299				**299**
Bill & Melinda Gates Foundation			1 014		**1 014**
Congressional Hunger Center			183		**183**
Coopernic			1 435		**1 435**
European Commission	814		195 619		**196 433**
Food and Agriculture Organization of the United Nations	14		26		**40**
Least Developed Countries Fund			220		**220**
Liechtenstein			5		**5**
National Agricultural Cooperative Federation	35				**35**
Office of the United Nations High Commissioner for Refugees	1 976				**1 976**
Organization of the Petroleum Exporting Countries	652				**652**
Other	50		658		**708**
Special Climate Change Fund			138		**138**
United Nations Capital Development Fund	241		316		**557**
United Nations Development Programme			228		**228**
United Nations Office for the Coordination of Humanitarian Affairs	1 000				**1 000**
United Nations Fund for International Partnerships	82		150		**232**
World Bank	1 178		939	71 889	**74 006**
Total non-Member States and other sources	**13 210**		**202 009**	**71 889**	**287 108**
Total 2009	**221 035**	**33 213**	**407 051**	**71 889**	**733 188**
Total 2008	**185 495**	**31 443**	**345 265**	**52 891**	**615 096**

[1] Non-US$ contributions have been translated at the year-end exchange rate.

Statement of complementary and supplementary contributions and unspent funds

Statement of cumulative complementary and other contributions from 1978 to 2009
(Expressed in thousands of United States dollars)

	Amount
Canada	1 511
Germany	458
India	1 000
Saudi Arabia	30 000
Sweden	13 826
United Kingdom	11 993
Cumulative contributions received from Belgium for the BSF.JP in the context of replenishments	74 948
Contributions made in the context of replenishments to the HIPC Trust Fund	
Italy	4 602
Luxembourg	1 053
Netherlands	14 024
	19 679
Total complementary contributions 2009	**153 415**
Total complementary contributions 2008	**101 147**

Statement of contributions from Member States and donors to the HIPC Debt Initiative
(Expressed in thousands of United States dollars)

	Amount
Contributions made in the context of replenishments (see previous table)	*19 679*
Belgium	2 713
European Commission	10 512
Finland	5 193
Germany	6 989
Iceland	250
Norway	5 912
Sweden	17 000
Switzerland	3 276
World Bank HIPC Trust Fund	122 217
Total contributions to IFAD's HIPC Trust Fund 2009	**193 741**
Total contributions to IFAD's HIPC Trust Fund 2008	**175 651**

Statement of complementary and supplementary contributions and unspent funds

Statement of complementary and supplementary contributions received in 2009

Contributions received for the new building in 2009

	Currency	Amount (thousands)	Thousands of US dollars equivalent
Cameroon	EUR	16	22
China	EUR	150	221
Madagascar	EUR	40	53
Morocco	EUR	40	57
Qatar	EUR	50	75
Turkey	EUR	70	100
Total		**366**	**528**

Contributions received for project cofinancing in 2009

	Currency	Amount (thousands)	Thousands of US dollars equivalent
Belgium	EUR	2 000	2 635
Denmark	US$		531
Netherlands	EUR	2 104	3 063
Netherlands	US$		1 282
Organization of the Petroleum Exporting Countries	US$		200
United Kingdom	GBP	1 426	2 373
Total			**10 084**

Contributions received for associate professional officers in 2009

	Currency	Amount (thousands)	Thousands of US dollars
Denmark	US$		139
Finland	US$		630
France	US$		156
Germany	US$		537
Germany	EUR	90	133
Italy	US$		166
Republic of Korea	US$		127
Sweden	US$		169
Total			**2 057**

Supplementary fund contributions received in 2009

	Currency	Amount (thousands)	Thousands of US dollars equivalent
African Development Bank	US$		100
Coopernic	EUR	1 000	1 290
European Commission	EUR	51 069	72 297
Finland	EUR	500	744
Italy	EUR	500	696
Least Developed Countries Fund	US$		200
Netherlands	US$		142
Norway	NOK	3 500	625
Other international financial institution and United Nations contributions	US$		126
Spain	EUR	2 000	2 846
Special Climate Change Fund	US$		125
Switzerland	EUR	331	450
World Bank – Consultative Group to Assist the Poor	US$		330
Total			**79 971**

Complementary contributions received in 2009

	Replenishment	Currency (thousands)	Amount (thousands)	Thousands of US dollars equivalent
Sweden	REPL.VII	SEK	100 000	13 827
United Kingdom	REPL.VI	GBP	500	740
Total				**14 567**

Statement of complementary and supplementary contributions and unspent funds

Statement of unspent complementary and supplementary contributions
(Expressed in thousands of United States dollars unless otherwise stated)

Unspent project cofinancing funds

	Unspent balance as at 31 December	
	2009	*2008*
Member States		
Belgium	1 454	
Canada	1 365	29
Denmark	4	
Finland	61	155
Ireland	1 327	1 327
Italy	3 644	2 183
Japan	164	274
Luxembourg	69	317
Netherlands	3 670	378
Norway	2 733	3 095
Spain	269	1 784
Suriname		4
Sweden	170	212
Switzerland		72
United Kingdom	2 460	5 146
Total Member States	**17 390**	**14 976**
Non-Member States		
Arab Bank	1 086	1 073
Organization of the Petroleum Exporting Countries	89	
United Nations Capital Development Fund	25	
United Nations Development Programme	213	
World Bank		4
Total non-Member States	1 413	1 077
Total	**18 803**	**16 053**

Unspent associate professional officer (APO) funds

	Unspent balance as at 31 December		*Cumulative number of APOs*	
	2009	*2008*	*2009*	*2008*
Belgium	9	9	4	4
Denmark	80	175	21	20
Finland	442	257	13	11
France	109		5	4
Germany	548	337	31	29
Italy	261	411	22	22
Japan	47	47	11	11
Netherlands			29	29
Norway	4	112	9	9
Republic of Korea	26	140	9	9
Sweden	237	70	14	14
Switzerland			3	3
United States			3	3
Total	**1 763**	**1 558**	**174**	**168**

A total of 17 APOs worked at IFAD in 2009 (2008: 19). These were financed by Denmark (2), Finland (4), France (1), Germany (4), Italy (3), Norway (1), the Republic of Korea (1) and Sweden (1).

Statement of complementary and supplementary contributions and unspent funds

Other unspent supplementary and complementary funds

	Unspent balance as at 31 December	
	2009	*2008*
Member States		
Belgium	19	19
Cameroon	23	
Canada	809	2 189
China	215	
Denmark	130	134
Finland	906	697
France	105	105
Germany	1 155	1 690
India	1 000	1 000
Ireland	35	38
Italy	8 710	14 330
Japan	123	146
Luxembourg	831	831
Madagascar	57	
Malaysia	13	13
Morocco	57	
Netherlands	128	146
Norway	1 337	1 479
Portugal	24	24
Qatar	68	
Spain	11 422	7 792
Sweden	14 058	228
Switzerland	737	897
Turkey	100	
United Kingdom	4 852	5 707
United States	1	1
Total Member States	**46 915**	**37 466**
Non-Member States		
African Development Bank	139	376
Bill & Melinda Gates Foundation	159	548
Coopernic	1 192	-
European Commission	53 095	59 925
Food and Agriculture Organization of the United Nations	18	16
Least Developed Countries Fund	200	
Special Climate Change Fund	124	
United Nations Capital Development Fund	315	557
United Nations Development Programme		212
United Nations Fund for International Partnerships	6	14
World Bank	178	159
Other	126	12
Total non-Member States	**55 552**	**61 819**
Total	**102 467**	**99 285**

Statement of complementary and supplementary contributions and unspent funds

Global Environment Facility

Recipient country	*Cumulative contributions received as at 31 December*	*Unspent at 1 January 2009*	*Received from donors*	*Expenses*	*Unspent at 31 December 2009*
ASEAN[1] regional	4 639	4 299		(4 299)	
Brazil	5 988	100			100
Burkina Faso	2 016	2 016		(2 016)	
China	4 895		4 545		4 545
Comoros	1 000				
Ecuador	100		100	(18)	82
Eritrea	4 500	58	4 350	(17)	4 391
Ethiopia	4 750		4 400		4 400
Gambia (The)	100	51		(47)	4
Global supplement for UNCCD[2]	481	25			25
Jordan	6 795	6 447		(6 446)	1
Kenya	4 700				
Mali	6 326	11			11
Mauritania	4 350	57	4 190	(57)	4 190
MENARID[3] monitoring and evaluation	705	31	645	(9)	667
Morocco	430	6 020	(5 918)	(22)	80
Niger	4 350	51	4 200	(29)	4 222
Panama	80		80		80
Peru	100		100		100
Sri Lanka	7 270	6 920		(6 920)	
Swaziland	2 073	45	1 973	(21)	1 997
Tunisia	5 350	5 006		(6)	5 000
Venezuela (Bolivarian Republic of)	100		100		100
Viet Nam	754	35	654	(35)	654
Unallocated		0			
Total	**71 852**	**31 172**	**19 419**	**(19 942)**	**30 649**
Interest added to funds	11	277	35	(301)	11
Total	**71 863**	**31 449**	**19 454**	**(20 243)**	**30 660**
Funds from cofinanciers of GEF activities	25				
Total	**71 888**	**31 449**	**19 454**	**(20 243)**	**30 660**

[1] Association of Southeast Asian Nations.
[2] United Nations Convention to Combat Desertification.
[3] MENARID: Integrated Natural Resources Management in the Middle East and North Africa Region Programme.

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers SpA

AUDITORS' REPORT

The International Fund for Agricultural Development
Rome

We have audited the accompanying consolidated Financial Statements (Appendices A, B, B1, C, D and D1) of the International Fund for Agricultural Development (the Fund) as at and for the year ended 31 December 2009. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the consolidated financial position of the International Fund for Agricultural Development as of 31 December 2009, and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Rome, 15 April 2010

PricewaterhouseCoopers SpA

John McQuiston
(Partner)

Sede legale e amministrativa: **Milano** 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. 3.754.400,00 Euro i.v., C.F. e P. IVA e Reg. Imp. Milano 12979880155 Iscritta al n. 43 dell'Albo Consob – Altri Uffici: **Bari** 70124 Via Don Luigi Guanella 17 Tel. 0805640211 – **Bologna Zola Predosa** 40069 Via Tevere 18 Tel. 0516186211 – **Brescia** 25123 Via Borgo Pietro Wuhrer 23 Tel. 0303697501 – **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 – **Genova** 16121 Piazza Dante 7 Tel. 01029041 – **Napoli** 80121 Piazza dei Martiri 58 Tel. 08136181 – **Padova** 35138 Via Vicenza 4 Tel. 049873481 – **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 – **Parma** 43100 Viale Tanara 20/A Tel. 0521242848 – **Roma** 00154 Largo Fochetti 29 Tel. 06570251 – **Torino** 10129 Corso Montevecchio 37 Tel. 011556771 – **Trento** 38122 Via Grazioli 73 Tel. 0461237004 – **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 – **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 – **Udine** 33100 Via Poscolle 43 Tel. 043225789 – **Verona** 37122 Corso Porta Nuova 125 Tel. 0458002561

Supplemental information

IFAD-only balance sheet at nominal value in United States dollars and retranslated in special drawing rights

As at 31 December 2009 and 2008

	Thousands of US dollars		Thousands of special drawing rights	
Assets	*2009*	*2008 Restated*	*2009*	*2008 Restated*
Cash on hand and in banks (note 4)	285 778	263 681	182 755	171 802
Investments (note 4)	2 375 687	2 358 008	1 519 252	1 536 359
Assets held as collateral for securities lent	215 780	455 953	137 992	297 076
Contributors' promissory notes (note 5)	387 911	276 728	248 069	180 302
Contributions receivable (note 5)	390 427	211 617	249 678	137 879
Less: provisions (note 6)	(168 448)	(168 485)	(107 723)	(109 776)
Net contribution and promissory notes receivables	609 890	319 860	390 024	208 405
Other receivables (note 7)	160 669	253 392	102 748	267 789
Fixed assets (note 8)	1 802	996	1 153	649
Loans outstanding (note 9 and appendix H)	5 346 977	5 020 941	3 419 391	3 271 394
Less: accumulated allowance for loan impairment losses (note 9(a))	(98 424)	(133 103)	(62 941)	(86 723)
Less: accumulated allowance for the HIPC Debt Initiative (note 11(b) and appendix I)	(147 174)	(160 337)	(94 118)	(104 468)
Net loans outstanding	5 101 379	4 727 501	3 262 332	3 080 203
Total assets	**8 750 985**	**8 379 391**	**5 596 256**	**5 562 283**

	Thousands of US dollars		Thousands of special drawing rights	
Liabilities and equity	*2009*	*2008 Restated*	*2009*	*2008 Restated*
Liabilities				
Payables and liabilities (note 12)	242 786	341 825	156 599	325 407
Cash collateral liabilities	217 872	474 414	137 992	309 105
Undisbursed grants (appendix H1)	305 795	149 239	195 556	97 236
Deferred revenues (note 13)	76 647	77 840	49 016	50 716
Total liabilities	843 100	1 043 318	539 163	782 464
Equity				
Contributions				
Regular	5 844 665	5 297 525	5 054 637	4 386 360
Special	20 348	20 348	15 219	15 219
Total contributions (appendix G)	5 865 013	5 317 873	5 069 856	4 401 579
General Reserve	95 000	95 000	60 752	61 899
Retained earnings	1 947 872	1 923 199	(73 515)	316 341
Total equity	7 907 885	7 336 072	5 057 093	4 779 819
Total liabilities and equity	**8 750 985**	**8 379 391**	**5 596 256**	**5 562 282**

A statement of IFAD's balance sheet is prepared in SDR, given that most of its assets are denominated in SDR and/or currencies included in the SDR basket. This statement has been included solely for the purpose of providing additional information for the readers of the accounts and is based on nominal values.

Statement of IFAD-only resources available for commitment

For the years ended 31 December 2009 and 2008 (expressed in thousands of United States dollars)

		2009	2008
Assets in freely-convertible currencies	Cash	284 508	263 619
	Investments	2 591 010	2 813 473
	Promissory notes	386 512	275 328
	Other receivables[1]	67 211	126 632[1]
		3 329 241	**3 479 052**
Less	Payables and liabilities	461 345	816 387
	Programme Development Financing Facility (PDFF) carry forward	7 150	3 436
	General Reserve	95 000	95 000
	Undisbursed effective loans	2 405 277	2 266 063
	Approved loans signed but not yet effective	161 268	249 789
	Undisbursed grants	305 795	149 239
		3 435 835	**3 579 914**
	Provision for promissory notes	80 861	80 898
		3 516 696	**3 660 811**
Resources available for commitment		**(187 455)**	**(181 759)**
Less	Loans not yet signed	405 911	400 086
	Grants not yet signed	195 732	160 533
Net resources pre-advance commitment authority (ACA)		**(789 098)**	**(742 378)**
ACA carried forward at 1 January		742 378	585 352
ACA approved at Executive Board sessions during the year		90 000	168 300
		832 378	**753 652**
Less	ACA covered in year	**(43 280)**	**(11 274)**
ACA carried forward at 31 December		**789 098**	**742 378**[2]
Net resources available for commitment		**-**	**-**

[1] Other receivables exclude the interfund balance due from IFAD's HIPC and ASMCS Trust Funds.
[2] The ACA carry-forward is well within the ACA ceiling of five years of future loan reflows (amounting to approximately US$1,380 million), as per the Seventh Replenishment definition.

Statement of contributions

As at 31 December 2009 and 2008

Summary of contributions

	Thousands of United States dollars	
	2009	*2008*
Initial contributions	1 017 314	1 017 314
First Replenishment	1 016 372	1 016 372
Second Replenishment	566 560	566 560
Third Replenishment	553 776	553 776
Fourth Replenishment	361 396	361 395
Fifth Replenishment	441 370	441 282
Sixth Replenishment	566 988	566 865
Seventh Replenishment	622 157	590 523
Eighth Replenishment	515 948	691
Total IFAD	**5 661 881**	**5 114 778**
SPA Phase I	288 868	288 868
SPA Phase II	62 364	62 364
Total SPA	351 232	**351 232**
Special contributions[1]	20 348	20 348
Total replenishment contributions	**6 033 461**	**5 486 358**
Statement of complementary contributions		
Belgian Survival Fund	74 948	67 228
HIPC Debt Initiative	19 679	19 679
Other complementary contributions	58 788	14 240
Total complementary contributions	**153 415**	**101 147**
HIPC contributions not made in the context of replenishment resources	174 062	155 972
Belgian Survival Fund contributions not made in the context of replenishment resources	63 836	63 836
Statement of supplementary contributions[2]		
Project cofinancing	221 035	185 495
Associate professional officer funds	33 213	31 443
Other supplementary funds	407 051	257 338
Global Environment Facility	71 852	52 893
Total supplementary contributions	**971 049**	**746 976**
Total contributions	**7 157 925**	**6 344 482**
Total contributions include the following:		
Total replenishment contributions (as above)	**6 033 461**	**5 486 358**
Less provisions	(168 448)	(168 485)
Total net replenishment contributions	5 865 013	5 317 873
Less fair value adjustment	(21 071)	(16 157)
Total replenishment contributions at fair value	**5 843 942**	**5 301 716**

[1] Including Iceland’s special contribution prior to membership.
[2] Includes interest earned according to each underlying agreement.

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' contributions[1]

	Initial, First, Second, Third, Fourth, Fifth, Sixth Replenishments (thousands of US dollars equivalent)	Seventh Replenishment – Instruments deposited			Seventh Replenishment – Payments (thousands of US dollars equivalent)		
		Currency	Amount (thousands)	Thousands of US dollars equivalent	Cash	Promissory notes	Total
Member States							
Albania	**30**	US$	10	10	10	0	10
Algeria	**51 330**	US$	1 100	1 100	1 100	0	1 100
Angola	**260**	US$	200	200	200	0	200
Argentina	**7 900**	US$	2 000	2 000	2 000	0	2 000
Armenia	**11**	US$	11	11	11	0	11
Australia[2]	**37 247**						
Austria	**42 808**	EUR	8 797	12 687	12 687	0	12 687
Azerbaijan	**100**						
Bangladesh	**3 756**	US$	600	600	600	0	600
Barbados	**10**						
Belgium	**73 540**	EUR	13 080	19 214	19 214	0	19 214
Belize	**205**						
Benin	**197**						
Bhutan	**105**	US$	30	30	30	0	30
Bolivia (Plurinational State of)	**1 200**	US$	300	300	200	0	200
Bosnia and Herzegovina	**0**	US$	75	75	75	0	75
Botswana	**335**	US$	75	75	75	0	75
Brazil[3]	**44 020**	US$	7 916	7 916	0	7 916	7 916
Burkina Faso	**159**	US$	100	100	100	0	100
Burundi	**70**	US$	10	10	10	0	10
Cambodia	**420**	US$	210	210	210	0	210
Cameroon	**855**	US$	794	794	794	0	794
Canada	**169 828**	CAD	37 277	33 618	33 618	0	33 618
Cape Verde	**26**						
Central African Republic	**11**						
Chile	**700**	US$	100	100	100	0	100
China	**40 839**	US$	16 000	16 000	16 000	0	16 000
Colombia	**470**	US$	170	170	170	0	170
Comoros[4]	**34**						
Congo	**451**	US$	300	300	300	0	300
Cook Islands	**5**						
Côte d'Ivoire	**1 559**						
Cuba	**9**						
Cyprus	**162**	US$	30	30	30	0	30
Democratic People's Republic of Korea	**800**						
Democratic Republic of the Congo	**1 180**						
Denmark	**113 350**	DKK	60 000	11 259	11 259	0	11 259
Djibouti	**6**						
Dominica	**51**						
Dominican Republic	**88**						
Ecuador	**791**						
Egypt	**14 409**	US$	3 000	3 000	900	2 100	3 000
El Salvador	**100**						
Eritrea	**20**	US$	10	10	10	0	10
Ethiopia	**191**	US$	30	30	30	0	30
Fiji	**194**	US$	10	10	10	0	10
Finland	**31 526**	EUR	6 516	8 742	8 742	0	8 742
France	**207 092**	EUR	24 000	34 434	0	34 434	34 434
Gabon	**3 282**	EUR	11	15	15	0	15

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' contributions[1] (cont.)

	Initial, First, Second, Third, Fourth, Fifth, Sixth Replenishments (thousands of US dollars equivalent)	Seventh Replenishment					
		Instruments deposited			Payments (thousands of US dollars equivalent)		
		Currency	Amount (thousands)	Thousands of US dollars equivalent	Cash	Promissory notes	Total
Gambia (The)	**45**						
Germany	**295 873**	US$	40 000	40 000	26 000	14 000	40 000
Ghana	**1 266**	US$	400	400	400	0	400
Greece	**2 950**	US$	1 246	1 246	1 246	0	1 246
Grenada	**75**						
Guatemala	**793**	US$	250	250	245	0	245
Guinea	**260**	US$	70	70	70	0	70
Guinea-Bissau	**30**						
Guyana	**635**						
Haiti	**107**						
Honduras	**801**						
Iceland	**5**	US$	300	300	300	0	300
India	**62 812**	US$	17 000	17 000	17 000	0	17 000
Indonesia	**41 959**	US$	5 000	5 000	5 000	0	5 000
Iran (Islamic Republic of)[4]	**128 750**						
Iraq[4]	**53 099**	US$	2 000	2 000	2 000	0	2 000
Ireland	**6 411**	EUR	6 000	6 915	6 915	0	6 915
Ireland[5]	**0**	EUR	891	2 642	2 642	0	2 642
Israel	**300**						
Italy	**224 023**	EUR	14 750	19 971	19 971	0	19 971
Jamaica	**326**						
Japan	**324 600**	JPY	3 635 719	36 002	26 238	9 763	36 001
Jordan	**740**	US$	100	100	100	0	100
Kenya	**4 518**	US$	100	100	100	0	100
Kiribati	**5**						
Kuwait	**153 041**	US$	8 000	8 000	8 000	0	8 000
Lao People's Democratic Republic	**154**						
Lebanon	**115**	US$	80	80	80	0	80
Lesotho	**289**	US$	100	100	100	0	100
Liberia	**39**						
Libyan Arab Jamahiriya[4]	**52 000**						
Luxembourg	**2 506**	EUR	650	954	954	0	954
Madagascar	**280**	US$	97	97	97	0	97
Malawi	**73**						
Malaysia	**1 000**	US$	125	125	125	0	125
Maldives	**51**						
Mali	**63**	US$	127	127	127	0	127
Malta	**55**						
Mauritania	**50**						
Mauritius	**270**						
Mexico	**30 131**	US$	3 000	3 000	3 000	0	3 000
Mongolia	**2**						
Morocco	**6 245**	US$	300	300	300	0	300
Mozambique	**320**	US$	80	80	80	0	80
Myanmar	**250**						
Namibia	**340**	US$	20	20	20	0	20
Nepal	**160**						
Netherlands	**224 310**	EUR	32 000	45 345	45 345	0	45 345
New Zealand	**7 991**						
Nicaragua	**99**	US$	20	20	20	0	20

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' contributions[1] (cont.)

	Initial, First, Second, Third, Fourth, Fifth, Sixth Replenishments (thousands of US dollars equivalent)	Seventh Replenishment					
		Instruments deposited			Payments (thousands of US dollars equivalent)		
		Currency	Amount (thousands)	Thousands of US dollars equivalent	Cash	Promissory notes	Total
Niger	**175**	US$	50	50	50	0	50
Nigeria	**101 459**	US$	5 000	5 000	4 711	0	4 711
Norway	**144 750**	NOK	209 482	35 113	35 113	0	35 113
Oman	**200**	US$	100	100	100	0	100
Pakistan	**10 934**	US$	4 000	4 000	2 412	1 588	4 000
Panama	**166**	US$	33	33	33	0	33
Papua New Guinea	**170**						
Paraguay	**705**						
Peru	**760**	US$	200	200	200	0	200
Philippines	**1 778**	US$	200	200	200	0	200
Portugal	**3 089**	EUR	873	1 296	1 296	0	1 296
Qatar	**29 980**	US$	10 000	10 000	10 000	0	10 000
Republic of Korea	**10 239**	US$	3 000	3 000	3 000	0	3 000
Republic of Moldova	**6**	US$	13	13	13	0	13
Romania	**150**	US$	100	100	100	0	100
Rwanda	**164**	US$	7	7	7	0	7
Saint Kitts and Nevis	**20**						
Saint Lucia	**22**						
Samoa	**50**						
Sao Tome and Principe	**10**						
Saudi Arabia	**379 778**	US$	10 000	10 000	10 000	0	10 000
Senegal	**271**	US$	113	113	113	0	113
Seychelles	**20**						
Sierra Leone	**37**						
Solomon Islands	**10**						
Somalia	**10**						
South Africa	**500**						
Spain	**12 700**	EUR	24 000	35 089	35 089	0	35 089
Sri Lanka	**6 884**	US$	668	668	668	0	668
Sudan	**889**	US$	250	250	250	0	250
Swaziland	**238**	US$	35	35	35	0	35
Sweden	**164 544**	SEK	251 400	37 149	37 149	0	37 149
Switzerland	**95 482**	CHF	21 323	20 256	6 713	13 543	20 256
Syrian Arab Republic	**967**	US$	350	350	350	0	350
Thailand	**750**	US$	150	150	150	0	150
Togo	**35**						
Tonga	**55**						
Tunisia	**2 578**	US$	600	600	400	0	400
Turkey	**15 336**	US$	900	900	900	0	900
Uganda	**245**	US$	45	45	45	0	45
United Arab Emirates	**51 180**	US$	1 000	1 000	1 000	0	1 000
United Kingdom	**176 134**	GBP	27 725	42 797	29 365	0	29 365
United Republic of Tanzania	**264**	US$	57	57	57	0	57
United States[3]	**647 674**	US$	54 000	54 000	23 143	27 633	50 776
Uruguay	**325**	US$	100	100	100	0	100
Venezuela (Bolivarian Republic of)	**174 689**	US$	15 000	15 000	15 000	0	15 000
Viet Nam	**1 103**	US$	500	500	500	0	500
Yemen	**1 784**	US$	592	592	592	0	592
Yugoslavia	**108**						

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' contributions[1] (cont.)

		Seventh Replenishment					
	Initial, First, Second, Third, Fourth, Fifth, Sixth Replenishments (thousands of US dollars equivalent)	Instruments deposited			Payments (thousands of US dollars equivalent)		
		Currency	Amount (thousands)	Thousands of US dollars equivalent	Cash	Promissory notes	Total
Zambia	**307**	US$	100	100	100	0	100
Zimbabwe	**2 103**						
Total contributions 31 December 2009	**4 523 776**			**622 157**	**493 929**	**110 977**	**604 906**

[1] Payments include cash and promissory notes. Amounts are expressed in thousands of United States dollars, therefore payments from Afghanistan (US$93) and Tajikistan (US$400) do not appear in appendix G.
[2] Australia's withdrawal from membership of IFAD became effective 31 July 2007.
[3] See appendix D, note 5(a).
[4] See appendix D, notes 6(a) and (b).
[5] In addition to its pledge to the Eighth Replenishment of EUR 6 million, Ireland has made a further contribution of EUR 891,000.

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' contributions[1] (cont.)

	Eighth Replenishment					
	Instruments deposited			Payments (thousands of US dollars equivalent)		
	Currency	Amount (thousands)	Thousands of US dollars equivalent	Cash	Promissory notes	Total
Member States						
Algeria	US$	10 000	10 000	0	10 000	10 000
Angola	US$	1 900	1 900	1 900	0	1 900
Austria	EUR	11 034	15 831	0	0	0
Azerbaijan	US$	100	100	100	0	100
Bhutan	US$	30	30	30	0	30
Brazil	US$	13 360	13 360	0	0	0
Burkina Faso	US$	100	100	0	0	0
Cambodia	US$	210	210	210	0	210
Cameroon	US$	610	791	791	0	791
Chile	US$	60	60	60	0	60
China	US$	22 000	22 000	0	0	0
Denmark	DKK	75 000	14 461	0	0	0
Ecuador	US$	50	50	50	0	50
Eritrea	US$	10	10	10	0	10
Germany	EUR	45 184	64 828	0	19 449	19 449
India	US$	25 000	25 000	9 000	0	9 000
Japan	JPY	6 375 300	68 482	0	34 241	34 241
Jordan	US$	100	100	100	0	100
Kenya	US$	70	70	70	0	70
Luxembourg	EUR	1 576	2 262	0	2 262	2 262
Madagascar	US$	198	198	198	0	198
Malawi	US$	50	50	50	0	50
Malaysia	US$	50	50	50	0	50
Mauritius	US$	5	5	5	0	5
Mozambique	US$	85	85	0	85	85
Netherlands	US$	75 000	75 000	0	75 000	75 000
Niger	US$	50	50	50	0	50
Norway	NOK	240 135	41 569	0	0	0
Pakistan	US$	8 000	8 000	0	0	0
Paraguay	US$	1	1	1	0	1
Republic of Moldova	US$	3	3	3	0	3
Saudi Arabia	US$	20 000	20 000	0	20 000	20 000
South Africa	US$	500	500	500	0	500
Spain	EUR	38 000	53 874	53 874	0	53 874
Sri Lanka	US$	1 001	1 001	0	0	0
Sweden	SEK	360 000	50 419	0	0	0
Switzerland	CHF	21 300	20 605	0	0	0
Syrian Arab Republic	US$	500	500	500	0	500
Tunisia	US$	600	600	0	0	0
Turkey	US$	1 200	1 200	200	0	200
United Arab Emirates	US$	1 000	1 000	0	1 000	1 000
United Republic of Tanzania	US$	120	120	57	0	57
Viet Nam	US$	500	500	0	0	0
Yemen	US$	972	972	972	0	972
Total Member States 31 December 2009			**515 947**	**68 781**	**162 037**	**230 818**

Statement of contributions
As at 31 December 2009 and 2008

Statement of Members' contributions[1] (cont.)

		Eighth Replenishment					
		Instruments deposited			*Payments (thousands of US dollars equivalent)*		
		Currency	*Amount (thousands)*	*Thousands of US dollars equivalent*	*Cash*	*Promissory notes*	*Total*
Non-Member States							
OPEC[2]	20 000						
Other	138						
Total non-Member States	**20 138**						
31 December 2009	**4 543 914**			**1 138 104**	**562 710**	**273 014**	**835 724**
31 December 2008	4 543 702			591 214	318 436	154 983	473 419

[1] Amounts are expressed in thousands of United States dollars therefore, the payment from Tajikistan (US$200) does not appear in appendix G.
[2] Organization of the Petroleum Exporting Countries.

Statement of contributions

As at 31 December 2009 and 2008

Special Programme for Africa

	First phase			Second phase		
	Instruments deposited			Instruments deposited		
	Currency	*Amount*	*Thousands of US dollars equivalent*	*Amount*	*Thousands of US dollars equivalent*	*Total*
Australia	AUD	500	389			389
Belgium	EUR	31 235	34 975	11 155	12 263	47 238
Denmark	DKK	120 000	18 673			18 673
Djibouti	US$	1	1			1
European Union	EUR	15 000	17 619			17 619
Finland	EUR	9 960	12 205			12 205
France	EUR	32 014	37 690	3 811	4 008	41 698
Germany	EUR	14 827	17 360			17 360
Greece	US$	37	37	40	40	77
Guinea	US$	25	25			25
Ireland	EUR	380	418	253	289	707
Italy	EUR	15 493	23 254	5 132	6 785	30 039
Italy	US$	10 000	10 000			10 000
Japan	JPY	2 553 450	21 474			21 474
Kuwait	US$		0	15 000	15 000	15 000
Luxembourg	EUR	247	266			266
Mauritania[1]	US$	25	25			25
Netherlands	EUR	15 882	16 174	8 848	9 533	25 707
New Zealand	NZD	500	252			252
Niger	EUR	15	18			18
Nigeria	US$		0	250	250	250
Norway	NOK	138 000	19 759			19 759
Spain	US$	1 000	1 000			1 000
Sweden	SEK	131 700	19 055	25 000	4 196	23 251
Switzerland	CHF	25 000	17 049			17 049
United Kingdom	GBP	7 000	11 150			11 150
United States	US$	10 000	10 000	10 000	10 000	20 000
31 December 2009			288 868		62 364	351 232
31 December 2008			**288 868**		**62 364**	**351 232**

[1] See appendix D, note 6(a).

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' replenishment contributions received in 2009[1]
(Expressed in thousands of United States dollars)

			Payments	
Member States	*Instruments deposited* [2,3]	*Promissory note deposit*[3]	*Cash*	*Promissory note encashment*
Replenishment 1				
Mauritania				10
Total				**10**
Replenishment 2				
Mauritania				2
Total				**2**
Replenishment 3				
Mauritania				25
Total				**25**
Replenishment 4				
Mongolia			2	
Total			**2**	
Replenishment 5				
Paraguay			88	
Total			**88**	
Replenishment 6				
Guatemala			23	
Netherlands				10 668
Germany				14 000
United Kingdom		5 733		6 287
Switzerland				508
France				11 221
Total		**5 733**	**23**	**42 684**
Replenishment 7				
Algeria				385
Angola			200	
Argentina			2 000	
Armenia			4	
Austria				4 192
Bangladesh				210
Belgium	4 783		9 845	
Bolivia (Plurinational State of)			200	
Botswana			25	
China			5 000	
Democratic People's Republic of Korea			1 000	
Denmark		3 375		3 429
Eritrea			10	
Finland			3 160	
France		11 855		
Germany		14 000		14 000
Guatemala			245	
India			6 000	
Indonesia			2 000	
Iraq			660	
Ireland			2 641	
Italy			19 971	

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' replenishment contributions received in 2009[1] (cont.)
(Expressed in thousands of United States dollars)

			Payments	
Member States	*Instruments deposited [2,3]*	*Promissory note deposit[3]*	*Cash*	*Promissory note encashment*
Japan				9 767
Kenya			34	
Kuwait				2 800
Luxembourg				336
Mexico			1 000	
Morocco				150
Netherlands				14 605
Niger			50	
Nigeria			2 211	
Norway			9 951	
Oman			50	
Panama			8	
Philippines			176	
Portugal				457
Qatar			3 000	
Romania			50	
Rwanda			7	
Saudi Arabia				3 500
Sri Lanka			668	
Sudan			250	
Switzerland		6 400		6 713
United Arab Emirates			350	
United Kingdom		13 909		29 365
United States		10 290		7 714
Venezuela (Bolivarian Republic of)				7 500
Viet Nam			200	
Total	**4 783**	**59 829**	**70 966**	**105 123**
Replenishment 8				
Algeria	10 000	10 000		
Angola			1 900	
Austria	15 682			
Bhutan			30	
Brazil	13 360			
Burkina Faso	100			
Cambodia	210		210	
Cameroon			409	
Chile			60	
China	22 000			
Denmark	14 329			
Eritrea			10	
Germany	66 708	20 332		
India	25 000		9 000	
Japan	67 428	35 554		
Jordan			100	
Kenya			70	
Luxembourg	2 332	2 248		
Madagascar			38	
Malawi			50	
Malaysia	50		50	
Mauritius			5	
Mozambique	85	85		

Statement of contributions

As at 31 December 2009 and 2008

Statement of Members' replenishment contributions received in 2009[1] (cont.)
(Expressed in thousands of United States dollars)

			Payments	
Member States	*Instruments deposited* [2,3]	*Promissory note deposit*[3]	*Cash*	*Promissory note encashment*
Netherlands	75 000	75 000		
Niger			50	
Norway	39 497			
Pakistan	8 000			
Paraguay			1	
Republic of Moldova			3	
Saudi Arabia	20 000	20 000		
South Africa			500	
Spain			53 874	
Sri Lanka	1 001			
Sweden	52 053			
Switzerland	19 690			
Syrian Arab Republic			500	
Tunisia	600			
Turkey	1 200		200	
United Arab Emirates		1 000		
United Republic of Tanzania	120		58	
Viet Nam	500			
Yemen			972	
Total	454 945	164 219	68 090	
Grand total	**459 728**	**229 781**	**139 169**	**147 844**

[1] Amounts are expressed in thousands of United States dollars, therefore the payment from Tajikistan (US$200) does not appear.
[2] Instruments deposited also include equivalent instruments recorded on receipt of cash or promissory note where no instrument of contribution has been received.
[3] Instruments deposited and promissory note deposit received in currencies other than United States dollars are translated at the date of receipt.

Statement of loans

1. IFAD: Statement of outstanding loans
As at 31 December 2009 and 2008

Borrower or guarantor	Approved loans less cancellations	Loans not yet effective	Effective loans: Undisbursed portion	Effective loans: Disbursed portion	Effective loans: Repayments	Outstanding loans
US$ loans[1] (expressed in thousands)						
Bangladesh	30 000			30 000	15 750	14 250
Cape Verde	2 004			2 004	1 052	952
Haiti	3 500			3 500	1 881	1 619
Nepal	11 538			11 538	6 067	5 472
Sri Lanka	12 000			12 000	6 600	5 400
United Republic of Tanzania	9 488			9 488	5 100	4 388
Subtotal[1]	**68 530**			**68 530**	**36 450**	**32 080**
Exchange adjustment on US$ loans	3186			3 186	3 236	(50)
Subtotal US$ loans[1]	**71 716**			**71 716**	**39 686**	**32 030**
SDR loans[1] (expressed in thousands)						
Albania	35 080		8 313	26 767	2 221	24 546
Algeria	613			613	613	
Angola	16 981		5 250	11 731	1 247	10 484
Argentina	50 595		33 381	17 214	13 525	3 689
Armenia	45 649		5 693	39 956	1 447	38 509
Azerbaijan	32 659		12 490	20 169	631	19 538
Bangladesh[2]	290 555		70 526	220 029	49 197	170 832
Belize	3 067		2 050	1 017	738	279
Benin	78 254	6 000	9 153	63 101	13 381	49 720
Bhutan	27 030		4 951	22 079	3 788	18 291
Bolivia (Plurinational State of)	58 079	5 050	7 155	45 874	16 089	29 785
Bosnia and Herzegovina	40 254	7 500	4 879	27 875	1 514	26 361
Brazil	108 800	43 800	15 868	49 132	29 598	19 534
Burkina Faso	81 458	5 400	22 681	53 377	7 344	46 033
Burundi[2]	41 689		5 388	36 301	8 284	28 017
Cambodia	32 028	4 250	1 774	26 004	362	25 642
Cameroon	40 522	8 300	6 791	25 431	4 270	21 161
Cape Verde	13 490		3 869	9 621	1 182	8 439
Central African Republic	23 044			23 044	6 728	16 316
Chad	26 150		16 492	9 658		9 658
China	401 344		92 609	308 735	49 825	258 910
Colombia	23 345		6 824	16 521	7 323	9 198
Comoros	4 182			4 182	1 048	3 134
Congo	13 950		7 169	6 781		6 781
Costa Rica	9 250	5 850		3 400	2 838	562
Côte d'Ivoire	18 371		4 652	13 719	2 241	11 478
Cuba	10 581			10 581	2 273	8 308
Democratic People’s Republic of Korea	50 497			50 497	6 270	44 227
Democratic Republic of the Congo	39 693		16 389	23 304	3 905	19 399
Djibouti	4 462		1 142	3 320	729	2 591
Dominica	2 902			2 902	1 554	1 348
Dominican Republic	22 413	9 450		12 963	6 164	6 799
Ecuador	40 426	8 200	8 403	23 823	15 550	8 273
Egypt	163 335	29 600	16 802	116 933	40 091	76 842
El Salvador	72 965		21 345	51 620	22 996	28 624
Equatorial Guinea	5 794			5 794	1 315	4 479
Eritrea	24 672		6 014	18 658	1 420	17 238
Ethiopia	158 802	16 975	33 827	108 000	19 980	88 020
Gabon	3 800		3 196	604		604
Gambia (The)	29 214		4 538	24 676	4 582	20 094
Georgia	21 818	5 350	5 112	11 356	432	10 924
Ghana	108 626	4 050	31 213	73 363	11 131	62 232
Grenada	3 250		780	2 470	758	1 712
Guatemala	75 160	12 100	30 979	32 081	19 563	12 518
Guinea-Bissau	5 117			5 117	732	4 385
Guinea	74 241		19 563	54 678	8 901	45 777
Guyana	8 523		1 628	6 895	708	6 187
Haiti	60 852		15 431	45 421	9 542	35 879
Honduras	68 991		6 996	61 995	5 826	56 169
India	453 927	12 600	145 897	295 430	88 771	206 659
Indonesia[2]	138 349		56 933	81 416	32 088	49 328
Jordan	32 248		4 197	28 051	13 837	14 214
Kenya	81 761	4 000	34 851	42 910	6 577	36 333
Kyrgyzstan	9 647	2 550		7 097	616	6 481

Statement of loans

1. IFAD: Statement of outstanding loans (cont.)
As at 31 December 2009 and 2008

Borrower or guarantor	Approved loans less cancellations	Loans not yet effective	Effective loans: Undisbursed portion	Effective loans: Disbursed portion	Effective loans: Repayments	Outstanding loans
Lao People's Democratic Republic	49 573		5 617	43 956	5 492	38 464
Lebanon	17 133	2 600		14 533	11 013	3 520
Lesotho	24 164		3 938	20 226	3 598	16 628
Liberia	10 180			10 180		10 180
Madagascar[2]	99 772		31 567	68 205	12 581	55 624
Malawi[2]	69 673		12 262	57 411	14 561	42 850
Maldives	10 894		4 883	6 011	1 574	4 437
Mali	95 465	17 100	13 210	65 155	13 276	51 879
Mauritania	45 323	3 856	7 466	34 001	5 822	28 179
Mauritius	11 650		5 279	6 371	2 733	3 638
Mexico	50 500	3 200	23 772	23 528	16 421	7 107
Mongolia	13 705		1 806	11 899	292	11 607
Morocco	76 559		33 988	42 571	27 701	14 870
Mozambique[2]	112 540		38 611	73 929	11 522	62 407
Namibia	4 200			4 200	2 800	1 400
Nepal	77 311	4 750	16 175	56 386	17 116	39 270
Nicaragua	39 222		12 102	27 120	2 270	24 850
Niger	40 340		12 292	28 048	5 368	22 680
Nigeria	107 800	45 400	20 647	41 753	2 869	38 884
Pakistan[2]	260 377		67 238	193 139	74 132	119 007
Panama	39 143	2 600	13 601	22 942	18 894	4 048
Papua New Guinea	3 901			3 901	3 071	830
Paraguay	21 808	2 000	6 933	12 875	10 492	2 383
Peru	60 150	5 200	10 987	43 963	23 011	20 952
Philippines	84 196		38 412	45 784	10 549	35 235
Republic of Moldova	33 300		9 499	23 801		23 801
Romania	12 400			12 400	4 960	7 440
Rwanda[2]	84 048		9 885	74 163	10 306	63 857
Saint Lucia	1 242			1 242	771	471
Saint Vincent and the Grenadines	1 484			1 484	1 251	233
Samoa	1 908			1 908	578	1 330
Sao Tome and Principe	13 761		4 300	9 461	1 616	7 845
Senegal	71 312	9 100	7 250	54 962	4 786	50 176
Seychelles						
Sierra Leone	26 500		4 623	21 877	8 515	13 362
Solomon Islands	2 519			2 519	872	1 647
Somalia	17 710			17 710	411	17 299
Sri Lanka	128 055	15 550	38 788	73 717	16 697	57 020
Sudan[2]	129 500		29 691	99 809	22 853	76 956
Swaziland	20 403	4 050	4 529	11 824	6 290	5 534
Syrian Arab Republic	61 368		24 203	37 165	25 446	11 719
The former Yugoslav Republic of Macedonia	11 721			11 721	650	11 071
Togo	17 564			17 564	2 464	15 100
Tonga	4 837			4 837	1 250	3 587
Tunisia	43 949		10 943	33 006	15 851	17 155
Turkey	45 657	12 080	15 877	17 700	9 562	8 138
Uganda[2]	155 224	22 500	36 808	95 916	18 205	77 711
United Republic of Tanzania	164 058		48 034	116 024	8 042	107 982
Uruguay	18 880		2 491	16 389	11 628	4 761
Venezuela (Bolivarian Republic of)	33 621	8 800	6 648	18 173	12 552	5 621
Viet Nam	130 460		51 394	79 066	4 145	74 921
Yemen[2]	138 938		26 489	112 449	29 777	82 672
Zambia	90 529	12 900	12 597	65 032	11 905	53 127
Zimbabwe	32 175			32 175	15 604	16 571
Total	**6 207 207**	**362 711**	**1 538 029**	**4 306 467**	**1 095 890**	**3 210 577**
Fund for Gaza and the West Bank[3]	2 513			2 513	193	2 320
US$ equivalent	**9 710 274**	**567 179**	**2 405 049**	**6 738 046**	**1 577 674**	**5 160 372**
Exchange adjustment on SDR loan repayments	(136 295)			(136 295)		(136 295)
Subtotal SDR loans 31 December 2009 US$	**9 573 979**	**567 179**	**2 405 049**	**6 601 751**	**1 577 674**	**5 024 077**
Total loans 31 December 2009 US$ at nominal value	**9 645 695**	**567 179**	**2 405 049**	**6 673 467**	**1 617 360**	**5 056 107**
Fair value adjustment						(1 225 698)
31 December 2009 US$ at fair value						**3 830 409**
31 December 2008 US$ at nominal value	**9 108 152**	**649 875**	**2 265 755**	**6 192 508**	**1 462 618**	**4 729 904**
Fair value adjustment						(1 129 484)
31 December 2008 US$ at fair value						**3 600 420**

Statement of loans

2. IFAD: Summary of loans approved at nominal value[1]

As at 31 December 2009 and 2008

		Approved loans in thousands of SDR				*Value in thousands of United States dollars*				
		As at 1 January 2009	*Loans cancelled*	*Loans fully repaid*	*As at 31 December 2009*	*As at 1 January 2009*	*Loans cancelled*	*Loans fully repaid*	*Exchange rate movement SDR/US$*	*As at 31 December 2009*
1978	US$	68 530			68 530	68 530			0	68 530
1979	SDR	201 486			201 486	309 241	0	0	5 827	315 068
1980	SDR	187 228			187 228	287 358	0	0	5 415	292 773
1981	SDR	188 716			188 716	289 642	0	0	5 458	295 100
1982	SDR	103 110			103 110	158 253	0	0	2 982	161 235
1983	SDR	143 589			143 589	220 381	0	0	4 153	224 534
1984	SDR	131 907			131 907	202 451	0	0	3 815	206 266
1985	SDR	60 332			60 332	92 598	0	0	1 745	94 343
1986	SDR	23 664			23 664	36 320	0	0	682	37 002
1987	SDR	43 793		0)	43 793	39 972	0	0	28 508	68 480
1988	SDR	80 306		(11 926)	68 380	123 254	0	(18 649)	2 322	106 927
1989	SDR	108 137		(4 794)	103 343	165 969	0	(7 497	3 127	161 600
1990	SDR	100 885		(9 867)	91 018	154 838	0	(15 429)	2 918	142 327
1991	SDR	127 804			127 804	196 154	0	0	3 696	199 850
1992	SDR	150 231			150 231	230 572	0	0	4 345	234 917
1993	SDR	168 966	10		168 976	259 329	15	0	4 887	264 231
1994	SDR	179 703	(278)		179 425	271 117	(435)	0	9 889	280 571
1995	SDR	221 872	(140)		221 732	332 413	(218)	0	14 533	346 728
1996	SDR	234 582	(4 142)		230 440	351 351	(6 477)	0	15 470	360 344
1997	SDR	269 584	(629)		268 955	405 487	(984)	0	16 067	420 570
1998	SDR	270 726	(1 532)		269 194	400 483	(2 396)	0	22 857	420 944
1999	SDR	308 170	(6 653)		301 517	463 811	(10 403)	0	18 081	471 489
2000	SDR	305 875	(6 537)		299 338	469 413	(10 222)	0	8 890	468 081
2001	SDR	288 503	(2 502)		286 001	442 651	(3 911)	0	8 488	447 228
2002	SDR	246 100	(1 000)		245 100	377 715	(1 565)	0	7 117	383 267
2003	SDR	273 711	(6 000)		267 711	419 032	(9 382)	0	8 976	418 626
2004	SDR	275 750			275 750	423 222	0	0	7 975	431 197
2005	SDR	324 810			324 810	498 519	0	0	9 394	507 913
2006	SDR	350 350			350 350	537 718	0	0	10 132	547 850
2007	SDR	293 230			293 230	439 153	0	0	19 377	458 530
2008	SDR	295 006			295 006	452 776	0	0	8 531	461 307
2009	SDR	0			307 584	0	0	0		480 977
Total	**SDR**	**5 958 126**	**(29 403)**	**(26 587)**	**6 209 720**	**9 051 193**	**(45 978)**	**(41 575)**	**265 657**	**9 710 274**
Total	**US$**	**68 530**				**68 530**				**68 530**
Exchange adjustment on loans disbursed										**(133 109)**
Total						**9 119 723**				**9 645 695**

3. IFAD: Maturity structure of outstanding loans by period at nominal value

As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

Period due	*2009*	*2008*
Less than 1 year	268 054	259 822
1-2 years	203 552	191 292
2-3 years	210 807	197 351
3-4 years	205 945	201 441
4-5 years	207 410	195 933
5-10 years	1 098 720	1 014 728
10-15 years	970 961	869 893
15-20 years	854 781	764 761
20-25 years	639 648	612 656
More than 25 years	396 239	422 027
Total	**5 056 117**	**4 729 904**

[1] Loans approved in 1978 were denominated in United States dollars and are repayable in the currencies in which withdrawals are made. Since 1979, loans have been denominated in SDRs and, for purposes of presentation in the balance sheet, the accumulated amount of loans denominated in SDRs has been valued at the US$/SDR rate of 1.56372 at 31 December 2009. Since the loans were valued at 31 December 2008 at the then prevailing rate of 1.53480, there is an increase in value in terms of United States dollars of US$798,874,000, attributable to the movement in exchange rates from 31 December 2008 to 31 December 2009 (from 2007 to 2008, there was a decrease in value in terms of United States dollars of US$711,936,000).

[2] Repayment amounts include participation by the Netherlands and Norway in specific loans to these countries, resulting in partial early repayment and a corresponding increase in committable resources.

[3] The amount of the loan to the Fund for Gaza and West Bank is included in the above balance. See appendix D, note 2(e)(ii).

Statement of loans

4. IFAD: Summary of outstanding loans by lending type at nominal value
As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	2009	*2008*
Highly concessional terms	4 657 355	4 325 782
Intermediate terms	250 015	263 894
Ordinary terms	148 747	140 228
Total	**5 056 117**	**4 729 904**

5. Disbursement structure of undisbursed loans at nominal value
As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

Disbursements in	*2009*	*2008*
Less than 1 year	491 330	488 682
1-2 years	473 673	465 716
2-3 years	432 232	427 684
3-4 years	382 242	377 225
4-5 years	322 754	316 133
5-10 years	816 791	784 806
More than 10 years	53 433	55 387
Total	**2 972 455**	**2 915 633**

6. Special Programme for Africa: Statement of loans at nominal value
As at 31 December 2009 and 2008

Borrower or guarantor	*Approved loans less cancellations*	*Undisbursed portion*	*Disbursed portion*	*Repayments*	*Outstanding loans*
SDR loans (expressed in thousands)					
Angola	2 714	-	2 714	423	2 291
Burkina Faso	10 546	-	10 546	2 530	8 016
Burundi	4 494	-	4 494	748	3 746
Cape Verde	2 183	-	2 183	530	1 653
Chad	9 617	-	9 617	2 013	7 604
Comoros	2 289	-	2 289	346	1 943
Djibouti	114	-	114	28	86
Ethiopia	6 660	-	6 660	2 067	4 593
Gambia (The)	2 638	-	2 638	660	1 978
Ghana	22 322	-	22 322	5 160	17 162
Guinea-Bissau	2 127	-	2 127	80	2 047
Guinea	10 762	-	10 762	2 960	7 802
Kenya	12 387	146	12 241	2 536	9 705
Lesotho	7 482	-	7 482	1 780	5 702
Madagascar	1 098	-	1 098	165	933
Malawi	5 777	-	5 777	867	4 910
Mali	10 193	-	10 193	3 060	7 133
Mauritania	19 020	-	19 020	4 744	14 276
Mozambique	8 291	-	8 291	2 591	5 700
Niger	11 119	-	11 119	3 240	7 878
Senegal	23 234	-	23 234	5 313	17 921
Sierra Leone	1 505	-	1 505	263	1 242
Sudan	26 012	-	26 012	6 464	19 548
Uganda	8 124	-	8 124	2 437	5 687
United Republic of Tanzania	6 789	-	6 789	1 697	5 092
Zambia	8 607	-	8 607	2 570	6 037
Total	**226 104**	**146**	**225 958**	**55 272**	**170 685**
US$ equivalent	**353 563**	**228**	**353 335**	**79 971**	**273 363**
Exchange adjustment on SDR loan repayments	(6 458)				(6 458)
31 December 2009 US$ at nominal value	**347 105**	**228**	**346 877**	**79 971**	**266 906**
Fair value adjustment					(114 611)
31 December 2009 US$ at fair value					**152 295**
31 December 2008 US$ at nominal value	**342 226**	**308**	**341 918**	**70 543**	**271 375**
Fair value adjustment					(113 850)
31 December 2008 US$ at fair value					**157 525**

Statement of loans

7. Special Programme for Africa: Summary of loans approved at nominal value
As at 31 December 2009

		Approved loans in thousands of SDRs			*Value in thousands of United States dollars*			
		As at 1 January 2009	*Loans cancelled*	*As at 31 December 2009*	*As at 1 January 2009*	*Loans cancelled*	*Exchange rate movement SDR/US$*	*As at 31 December 2009*
1986	SDR	24 902		24 902	38 220		720	38 940
1987	SDR	41 292		41 292	63 375		1 194	64 569
1988	SDR	34 770		34 770	53 365		1 006	54 371
1989	SDR	25 756		25 756	39 530		745	40 275
1990	SDR	17 370		17 370	26 660		502	27 162
1991	SDR	18 246		18 246	28 004		528	28 532
1992	SDR	6 952		6 952	10 670		201	10 871
1993	SDR	34 414		34 414	52 819		995	53 814
1994	SDR	16 320		16 320	25 048		472	25 520
1995	SDR	6 135	(53)	6 082	9 416		94	9 510
Total	SDR	**226 157**	**(53)**	**226 104**	**347 107**		**6 457**	**353 564**

8. Special Programme for Africa: Maturity structure of outstanding loans by period at nominal value
As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

Period due	*2009*	*2008*
Less than 1 year	10 108	10 075
1-2 years	9 091	8 925
2-3 years	9 091	8 925
3-4 years	9 091	8 925
4-5 years	9 091	44 629
5-10 years	45 454	44 629
10-15 years	45 454	44 629
15-20 years	45 454	44 629
20-25 years	45 108	39 567
More than 25 years	38 964	16 443
Total	**266 906**	**271 376**

9. Special Programme for Africa: Summary of outstanding loans by lending type at nominal value
As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	2009	*2008*
Highly concessional terms	266 906	271 376
Intermediate terms	-	-
Ordinary terms	-	-
Total	**266 906**	**271 376**

IFAD-only statement of grants

As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

		2009 movements				
	Undisbursed as at 1 January	*Effective*	*Disbursements*	*Cancellations*	*Exchange rate*	*Undisbursed as at 31 December*
Other grants	69 299	48 731	(39 309)	(2 030)	311	77 002
Debt Sustainability Framework grants (Appendix H2)	79 940	158 694	(13 998)	-	4 157	228 793
Total 2009	**149 239**	**207 425**	**(53 307)**	**(2 030)**	**4 468**	**305 795**[a]
Fair value adjustment						(52 291)
Total 2009 at fair value						**253 504**
Total 2008	**76 848**	**116 997**	**(39 233)**	**(1 192)**	**(4 181)**	**149 239**
Fair value adjustment						(10 598)
Total 2008 at fair value						**138 641**

[a] Of this amount, US$57,600,000 is expected to be disbursed in the next financial year.

IFAD-only Debt Sustainability Framework

As at 31 December 2009 and 2008 (expressed in thousands of United States dollars)

Borrower or guarantor	*Undisbursed as at 1 January 2009*	*Effective 2009*	*Disbursements 2009*	*Exchange difference*	*Undisbursed as at 31 December 2009*
US$ Debt Sustainability Framework					
Afghanistan	0	200	(102)	0	98
Cambodia	55	0	(55)	0	0
Guinea	0	0	0	0	0
Lesotho	0	200	(180)	0	20
Malawi	247	0	(45)	0	202
Nepal	1 078	322	(290)	0	1 110
Niger	70	0	0	0	70
Sudan	0	150	(135)	0	15
Yemen	0	180	(162)	0	18
Subtotal US$ DSF	**1 450**	**1 052**	**(969)**	**0**	**1 533**
SDR Debt Sustainability Framework					
Afghanistan	0	24 986	0	(34)	25 020
Benin	0	0	0	0	0
Burkina Faso	0	0	0	0	0
Burundi	12 598	14 488	(2 491)	(291)	24 886
Cambodia	7 369	0	(1 200)	(112)	6 281
Chad	0	0	0	0	0
Comoros	3 645	0	(23)	(69)	3 691
Congo	0	7 827	(1 040)	(405)	7 192
Cote d'Ivoire	0	9 851	0	0	9 851
Democratic Republic of the Congo	0	0	0	0	0
Djibouti	0	2 992	(350)	(54)	2 696
Eritrea	0	0	0	0	0
Ethiopia	19 403	0	(39)	(364)	19 728
Gambia (The)	0	0	0	0	0
Guinea-Bissau	4 124	0	(280)	(67)	3 911
Guinea	10 130	0	0	(190)	10 320
Guyana	0	2 795	(333)	(83)	2 545
Haiti	0	0	0	0	0
Kyrgyzstan	0	8 644	0	(94)	8 738
Lao People's Democratic Republic	0	15 740	(1 500)	(83)	14 323
Lesotho	4 034	0	(464)	(73)	3 643
Liberia	0	4 926	0	0	4 926
Malawi	0	7 807	0	67	7 740
Mauritania	0	0	0	0	0
Nepal	3 837	0	(750)	(87)	3 174
Nicaragua	4 512	0	(300)	(71)	4 283
Niger	0	8 572	0	128	8 444
Rwanda	0	19 547	(2 105)	(860)	18 302
Sierra Leone	8 838	0	(655)	(177)	8 360
Tajikistan	0	11 746	(1 100)	(607)	11 253
Sudan	0	15 917	(360)	(558)	16 115
Yemen	0	1 804	(39)	(73)	1 838
Subtotal SDR DSF	**78 490**	**157 642**	**(13 029)**	**(4 157)**	**227 260**
Total US$ and SDR DSF	**79 940**	**158 694**	**(13 998)**	**(4 157)**	**228 793**
2008	12 931	76 922	(6 421)	(3 492)	79 940

Summary of the Debt Initiative for Heavily Indebted Poor Countries

At 31 December 2009, the cumulative position of the debt relief provided and estimated to be provided under both the original and the enhanced Debt Initiative for Heavily Indebted Poor Countries is as follows:

	Debt relief provided to 31 December 2009		*Debt relief to be provided as approved by the Executive Board*			
			To be covered by IFAD		*To be covered by*	
	Principal	*Interest*	*Principal*	*Interest*	*World Bank contribution*	*Total debt relief*
Completion point countries						
Benin	4 568	1 643	0	0	0	6 211
Bolivia (Plurinational State of)	5 900	1 890	0	0	0	7 790
Burkina Faso	6 648	2 637	95	25	255	9 660
Burundi	592	230	15 329	2 873	0	19 024
Cameroon	910	317	690	91	1 593	3 601
Central African Republic	5 173	1 888	4 726	1 123	0	12 910
Ethiopia	9 415	3 274	3 716	830	9 245	26 480
Gambia (The)	877	238	541	123	1 348	3 127
Ghana	8 212	3 236	2 437	580	6 110	20 575
Guyana	1 526	299	0	0	0	1 825
Haiti	516	154	1 471	441	0	2 582
Honduras	1 077	767	0	0	0	1 844
Madagascar	5 652	1 595	724	166	1 771	9 908
Malawi	3 539	1 026	5 516	1 108	13 561	24 750
Mali	6 211	2 431	0	0	0	8 642
Mauritania	6 188	2 010	766	191	1 932	11 087
Mozambique	10 115	3 368	585	128	1 463	15 659
Nicaragua	7 216	907	64	16	0	8 203
Niger	4 106	1 321	2 261	483	5 615	13 786
Rwanda	3 795	1 671	8 460	2 018	6 263	22 207
Sao Tome and Principe	367	110	1 079	193	2 591	4 340
Senegal	2 247	882	0	0	0	3 129
Sierra Leone	4 110	1 202	2 264	390	5 331	13 297
Uganda	12 450	4 654	0	0	0	17 104
United Republic of Tanzania	9 182	3 403	1 177	283	2 940	16 985
Zambia	6 333	2 216	4 260	894	10 392	24 095
Decision point countries						
Chad	0	0	1 945	420	0	2 365
Congo	0	0	0	95	0	95
Cote d'Ivoire	0	0	1 768	320	0	2 088
Democratic Republic of the Congo	1 504	245	9 377	2 389	0	13 515
Guinea	0	0	8 459	1 815	0	10 274
Guinea-Bissau	0	0	5 545	1 263	0	6 808
Liberia	0	0	9 648	6 301	0	15 949
Togo	0	0	1 215	0	0	1 215
31 December 2009 SDR	**128 429**	**43 614**	**94 118**	**24 559**	**70 410**	**361 130**
Less future interest on debt relief not accrued (including interest covered by the World Bank contribution)						**(37 166)**
Total cumulative cost of debt relief as at 31 December 2009 (thousands of SDR)						**323 964**
31 December 2009 US$	**191 286**	**64 628**	**147 174**	**38 405**	**110 101**	**551 594**
Total less future interest on debt relief not accrued (including World Bank)						**(58 118)**
Total cumulative cost of debt relief as at 31 December 2009 (thousands of US$)						**493 476**
Fair value adjustment			(57 083)			
31 December 2009 at fair value			**90 091**			
31 December 2008 SDR	104 228	36 158	104 468	29 334	75 394	349 581
Less future interest on debt relief not accrued						(43 768)
Total cumulative cost of debt relief as at 31 December 2008 (thousands of SDR)						305 813
31 December 2008 US$	153 804	53 059	160 337	45 021	115 715	412 221
Less future interest on debt relief not accrued						(67 175)
Total cumulative cost of debt relief as at 31 December 2008 (thousands of US$)						345 046
Fair value adjustment			(42 352)			
31 December 2008 at fair value			117 985			

IFAD-only statement of operating expenses

An analysis of IFAD operating expenses by principal sources of funding
For the years ended 31 December 2009 and 2008 (expressed in thousands of United States dollars)

	Administrative budgets[1]	*Programme Development Financing Facility*	*Action Plan*	*Direct charges*[2]	Other sources[3]	*Total*
Staff salaries and benefits	68 927	9 586	903	(19)	4 565	83 962
Office and general expenses	11 847	7 191	95	452	9 406	28 991
Consultants and other non-staff costs	7 253	16 998	261	59	535	25 106
Cooperating institutions	255	4 474	41		48	4 818
Direct bank and Investment costs				4 212		4 212
Total 2009	**88 282**	**38 249**	**1 300**	**4 704**	**14 554**	**147 089**
Total 2008	82 571	35 566	2 377	4 637	23 356	148 507

[1] These refer to IFAD and its Office of Evaluation and carry forward.
[2] Direct charges against investment income.
[3] Includes Italian Government reimbursable expenses, voluntary separation leave expenditures and positions funded from service charges.