

a

IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

GOVERNING COUNCIL

TWENTY-EIGHTH SESSION REPORT

ROME, 16-17 FEBRUARY 2005

TABLE OF CONTENTS

CHAPTER	PARAGRAPHS	PAGES
1. INAUGURATION AND PROCEEDINGS	1 - 12	1 - 2
A. Opening of the Session	3	1
B. Agenda and Documentation	4	1
C. Inaugural Meeting of the Session	5 - 9	1
D. Statement of the President of IFAD	10	1
E. General Statements	11	2
F. Closure of the Session	12	2
2. DECISIONS OF THE GOVERNING COUNCIL	13 - 29	3 - 5
A. Application for Non-Original Membership	13 - 15	3
B. Appointment of the President of IFAD	16 - 17	3
C. Report on the Sixth Replenishment of IFAD's Resources	18 - 19	3
D. Seventh Replenishment of IFAD's Resources	20 - 21	3 - 4
E. Audited Financial Statements of IFAD – 31 December 2003	22	4
F. Administrative Budget of IFAD and its Office of Evaluation for 2005	23	4
G. Special Expenditure for IFAD's New Headquarters	24	4
H. Progress Report on Implementation of the Performance- Based Allocation System	25	4
I. Progress Report on the Process Re-Engineering Programme (Strategic Change Programme)	26	4
J. Report on the Lessons Learned by the International Land Coalition	27	4
K. Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification	28	5
L. Approval of Disclosure of Documents	29	5
3. A. SUMMARY RECORDS	30 - 245	6 - 44
(including a summary of general statements delivered by Governors)		
(i) First Meeting – 16 February 2005	30 - 58	6 - 9
(ii) Second Meeting – 16 February 2005	59 – 110	10 - 18
(iii) Third Meeting – 17 February 2005	111 - 188	19 - 34
(iv) Fourth Meeting – 17 February 2005	189 - 245	35 - 44

CHAPTER	PARAGRAPHS	PAGES
3. B. ROUND-TABLE DISCUSSIONS	246 - 248	45 - 46
3. C. OTHER GENERAL STATEMENTS		47 - 57
Albania		47 - 48
India		49 - 50
Madagascar		51 - 53
Mauritius		54
Morocco		55 - 56
United States of America		57
4. STATEMENTS AND SPECIAL ADDRESSES		59 - 84
Welcoming Statement by the President of IFAD, Lennart Båge, on the Occasion of the Visit of The Right Honourable Yoweri Kaguta Museveni, President of the Republic of Uganda		59
Inaugural Address by The Right Honourable Yoweri Kaguta Museveni, President of the Republic of Uganda		60 - 63
Welcoming Statement by the President of IFAD, Lennart Båge, on the Occasion of the Visit of His Excellency Guy Verhofstadt, Prime Minister of the Kingdom of Belgium		64
Keynote Address by His Excellency Guy Verhofstadt, Prime Minister of the Kingdom of Belgium		65 - 67
Message of the Secretary-General of the United Nations, Mr Kofi Annan, delivered on his behalf by the Chairperson of the Governing Council, His Excellency Nelson Machado		68
Statement by the President of IFAD, Lennart Båge, to the Twenty-Eighth Session of the Governing Council		69 - 73
Message of The Honourable Gianfranco Fini, Deputy Prime Minister and Minister for Foreign Affairs of the Republic of Italy, delivered on his behalf by The Honourable Gianluigi Magri, Governor of IFAD for Italy		74 - 76
Message of the Director-General of the Food and Agriculture Organization of the United Nations, Mr Jacques Diouf, delivered on his behalf by Mr David Harcharik, Deputy Director-General		77 - 78
Message of the Executive Director of the World Food Programme, Mr James T. Morris, delivered on his behalf by Mr Jean-Jacques Graisse, Senior Deputy Executive Director		79 - 80

	PAGES
Achieving the Millennium Development Goals: Rural Investment and Enabling Policy – Summary of the Panel Discussion delivered by the Vice-Chairperson, Her Excellency Nobuko Matsubara	81
Statement by the Vice-Chairperson, Her Excellency Nobuko Matsubara, Closing the Twenty-Eighth Session of the Governing Council	82 - 84
 ANNEXES	
I. List of Participants at the Twenty-Eighth Session of the Governing Council	85 - 158
II. Agenda and Programme of Events	159 - 161
III. List of Documents Placed before the Twenty-Eighth Session of the Governing Council	162 - 163
IV. Resolutions Adopted by the Governing Council at its Twenty-Eighth Session	164 - 169

Inaugural Ceremony



The Right Honourable Yoweri Kaguta Museveni,
President of the Republic of Uganda



His Excellency Guy Verhofstadt,
Prime Minister of the Kingdom of Belgium



Lennart Båge, President of IFAD



Chairperson of the Governing Council,
His Excellency Nelson Machado



Vice-Chairperson of the Governing Council,
Her Excellency Nobuko Matsubara

CHAPTER 1

INAUGURATION AND PROCEEDINGS

1. The Twenty-Eighth Session of the Governing Council of IFAD was held in Rome on 16-17 February 2005. The list of participants is attached as Annex I.

2. The Council held a total of four meetings, the summary records of which are contained in chapter 3, part A.

A. Opening of the Session

3. The session was opened by His Excellency Nelson Machado, Minister of State for Planning, Budget and Management, of the Federative Republic of Brazil and Chairperson of the Governing Council.

B. Agenda and Documentation

4. The Governing Council adopted the agenda, shown together with the programme of events for the session in Annex II. The documents placed before the Council are listed in Annex III. The resolutions adopted by the Governing Council appear in Annex IV.

C. Inaugural Meeting of the Session

5. The Governing Council was addressed by The Right Honourable Yoweri Kaguta Museveni, President of the Republic of Uganda. The full text of President Museveni's inaugural address is reproduced in chapter 4.

6. His Excellency Guy Verhofstadt, Prime Minister of the Kingdom of Belgium, delivered a keynote address, the full text of which is reproduced in chapter 4.

7. A message from His Excellency Kofi Annan, Secretary-General of the United Nations, was delivered on his behalf by the Chairperson of the Governing Council, the full text of which is reproduced in chapter 4.

8. A message from The Honourable Gianfranco Fini, Deputy Prime Minister and Minister for Foreign Affairs of the Republic of Italy, was conveyed to the Governing Council by The Honourable Gianluigi Magri, Under-Secretary of State of the Ministry of Economy and Finance, and Governor of IFAD for Italy. This statement is reproduced in full in chapter 4.

9. Mr David Harcharik, Deputy-Director General, delivered a message from Mr Jacques Diouf, Director-General of the Food and Agriculture Organization of the United Nations. A message from Mr James T. Morris, Executive Director of the World Food Programme, was delivered on his behalf by Mr Jean-Jacques Graisse, Senior Deputy Executive Director. These statements are reproduced in full in chapter 4.

D. Statement of the President of IFAD

10. The full text of President Båge's statement to the Governing Council appears in chapter 4.

E. General Statements

11. The general statements delivered by Governors in the plenary session are summarized in the summary records contained in chapter 3, part A; information regarding the round-table discussions is given in chapter 3, part B, and general statements submitted in writing by Member State representatives who did not make oral presentations are reproduced in full in chapter 3, part C.

F. Closure of the Session

12. The Vice-Chairperson, Her Excellency Nobuko Matsubara, Ambassador of Japan to Italy, summarized both the panel discussion and the results of the Council's main deliberations and then closed the Twenty-Eighth Session of the Governing Council. The text of her statements is reproduced in full in chapter 4.



Inaugural Ceremony in the Plenary Hall

CHAPTER 2

DECISIONS OF THE GOVERNING COUNCIL

A. Application for Non-Original Membership

13. The Governing Council considered document GC 28/L.2 and, on 16 February 2005, adopted Resolution 135/XXVIII approving the membership of the Republic of Kiribati.

14. The Council noted that Kiribati would be admitted as a non-original member in the Fund's List C (Sub-List C2) Member States, as agreed upon with the members of that List.

15. The Council also noted that the People's Republic of China opposed the membership of the Republic of Kiribati.

B. Appointment of the President of IFAD

16. The Governing Council considered document GC 28/L.3 indicating that the Fund had received two nominations for the Presidency of IFAD: Mr Jannes Hutagalung, nominated by the Republic of Indonesia, and Mr Lennart Båge, nominated by the Kingdom of Sweden. In accordance with Rule 41.1 of the Council's Rules of Procedure, balloting for the appointment of the President of IFAD was held in a private session during the Council's first meeting.

17. At its second meeting, after List consultations on the ballot results, the Governing Council reappointed, by acclamation, Mr Lennart Båge of the Kingdom of Sweden as President of IFAD for a term of office of four years, with effect from 1 April 2005, and adopted Resolution 136/XXVIII relating thereto on 16 February 2005.

C. Report on the Sixth Replenishment of IFAD's Resources

18. The Governing Council reviewed the progress report on the Sixth Replenishment of IFAD's Resources contained in documents GC 28/L.4 and GC 28/L.4/Add.1, noting that total pledges, including complementary contributions, amounted to USD 505.6 million, representing 90.3% of the pledge target of USD 560 million. The aggregate amount of instruments of contribution deposited and payments not supported by instruments of contribution amounted to USD 442.8 million equivalent or 87.6% of pledges. Payments in cash and promissory notes amounted to USD 268 million equivalent or 53% of pledges.

19. The Council further noted that subsequent to the issuance of GC 28/L.4/Add.1 additional payments for the Sixth Replenishment had been received from the Republic of Finland and the Republic of Uganda, totalling USD 1.5 million equivalent and that out of the total pledges received for the Sixth Replenishment, pledges of complementary contributions amounted to USD 28.7 million equivalent, of which USD 11.5 million equivalent, or 40.2%, had been paid.

D. Seventh Replenishment of IFAD's Resources

20. The Governing Council considered document GC 28/L.5 and adopted, on 17 February 2005, Resolution 137/XXVIII establishing the Consultation on the Seventh Replenishment of IFAD's Resources. In accordance with paragraph 2 of the resolution, the Consultation would consist of all Member States from Lists A and B, and 15 Member States from List C, as communicated to the President of IFAD by that List. In this respect, the Council took note of the following composition of List C Member States in the Consultation:

- Sub-List C1: Cameroon, Egypt, Ghana, Mozambique and the Sudan
Sub-List C2: Afghanistan, China, India, Pakistan and the Republic of Korea
Sub-List C3: Argentina, Brazil, Guatemala, Mexico and Panama

21. Also in accordance with paragraph 2 of the resolution, the Council further noted that the List C membership wished to invite the following Member States as observers to the Consultation proceedings: Mali, Peru, Sri Lanka, Turkey and the United Republic of Tanzania.

E. Audited Financial Statements of IFAD – 31 December 2003

22. The Governing Council considered and approved the financial statements showing the financial position of IFAD as at 31 December 2003 and the results of its operations for the year ended on that date, as contained in Appendixes A to H inclusive of document GC 28/L.6 and the report of the external auditor thereon.

F. Administrative Budget of IFAD and its Office of Evaluation for 2005

23. After considering the proposed administrative budget of IFAD and its Office of Evaluation for 2005, as presented in document GC 28/L.7, the Governing Council adopted Resolution 138/XXVIII relating thereto on 17 February 2005.

G. Special Expenditure for IFAD's New Headquarters

24. The Governing Council considered document GC 28/L.8/Rev.1 and adopted Resolution 139/XXVIII, on 17 February 2005, approving the special expenditure in the amount of EUR 3.4 million to finance the common areas and facilities of IFAD's new headquarters at Via Paolo di Dono, 44, Rome, for a three-year period during the financial years from 2005 to 2007 inclusive. The President of IFAD was authorized to seek and to receive voluntary contributions for financing such common areas and was requested to inform the Executive Board annually of all such contributions. The Governing Council also requested the President of IFAD to submit to the Council in February 2008 a final report on the expenditures incurred in preparing the new headquarters.

H. Progress Report on Implementation of the Performance-Based Allocation System

25. The Governing Council took note of document GC 28/L.9 providing a report on the progress made in 2004 in the implementation of the performance-based allocation system.

I. Progress Report on the Process Re-Engineering Programme (Strategic Change Programme)

26. The Governing Council took note of the fifth annual progress report on the Process Re-Engineering Programme (Strategic Change Programme) contained in document GC 28/L.10.

J. Report on the Lessons Learned by the International Land Coalition

27. The Governing Council took note of the report contained in document GC 28/L.11, summarizing the lessons learned from the Coalitions's 36 country partnerships on how state and non-state actors could work together to improve secure access by land-poor households to productive assets and the related means to make their land productive.

K. Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification

28. The Governing Council welcomed Mr Christian Mersmann, the new Managing Director of the Global Mechanism of the United Nations Convention to Combat Desertification, who had taken up his appointment on 15 February 2005. The Council took note of the report, contained in document GC 28/L.12, on the Global Mechanism's evolving operational strategy and its activities during 2004.

L. Approval of Disclosure of Documents

29. The Governing Council approved the disclosure of all the documents submitted to the session and noted that they would be subsequently posted on IFAD's public website.

CHAPTER 3

A. SUMMARY RECORDS

(including a summary of general statements delivered by Governors)

- (i) Summary Record of the First Meeting of the Twenty-Eighth Session held on Wednesday, 16 February 2005, at 10.00 hours

CHAIRPERSON: NELSON MACHADO (BRAZIL)

	Paragraphs
Opening of the Session (agenda item 1)	31
Adoption of the Agenda (agenda item 2)	32
Application for Non-Original Membership (agenda item 3)	33 - 37
Inaugural Address by the President of the Republic of Uganda	38 - 42
Keynote Address by the Prime Minister of the Kingdom of Belgium	43 - 47
Message of the Secretary-General of the United Nations	48
Statement of the President of IFAD (agenda item 4)	49 - 50
Message of the Deputy Prime Minister and Minister for Foreign Affairs of the Republic of Italy	51 - 52
Message of the Director-General of the Food and Agriculture Organization of the United Nations	53 - 54
Message of the Executive Director of the World Food Programme	55 - 56
Appointment of the President of IFAD (agenda item 6)	57

30. **The meeting was called to order at 10.10 hours.**

OPENING OF THE SESSION (agenda item 1)

31. **The CHAIR** declared open the Twenty-Eighth Session of the Governing Council and welcomed participants. He stressed the particular importance of adequate financial support for the Fund in the context of achieving the Millennium Development Goals. Outlining Brazil's policies and action to take up the challenges of eliminating poverty and ensuring social justice for all, which were crucial to the full exercise of citizens' rights, he commended IFAD's partnership in those endeavours. The Fund's commitment to overcoming rural poverty must remain its core strategy for strengthening the social organizations of smallholders and improving their access to technology, credit and markets. Its pioneering approach to agrarian issues was one of its greatest comparative advantages, and its unique role in the United Nations family should be strengthened still further.

ADOPTION OF THE AGENDA (agenda item 2) (document GC 28/L.1)

32. **The agenda (document GC 28/L.1) was adopted.**

APPLICATION FOR NON-ORIGINAL MEMBERSHIP (agenda item 3) (document GC 28/L.2)

33. **The CHAIR** invited the Governing Council to adopt the draft resolution contained in document GC 28/L.2, approving the non-original membership by the Republic of Kiribati.

34. **Mr LI** (China) said that China opposed Kiribati's membership in IFAD.

35. **The CHAIR** said that China's opposition had been noted.

36. **Resolution 135/XXVIII was adopted.**

37. **The CHAIR** asked the Governing Council to note that Kiribati would be admitted as a non-original member in the Fund's List C Member States, as agreed with the members of that List.

INAUGURAL ADDRESS BY THE PRESIDENT OF THE REPUBLIC OF UGANDA

38. **The Right Honourable Yoweri Kaguta Museveni, President of the Republic of Uganda, was conducted to his seat.**

39. **Mr BÅGE** (President of IFAD) said that it was a great privilege to welcome President Museveni to the Twenty-Eighth Session of the Governing Council. Uganda was an original Member of the Fund: the partnership between the two had gone from strength to strength over more than twenty years, in step with the potential for a dynamic future for Africa which Uganda illustrated so well, having advanced from conflict, economic disorder and pervasive food insecurity to become a country with a rapidly growing economy. President Museveni's distinguished presidency had seen Uganda hailed as a success story in the fight against HIV/AIDS, in the empowerment of women, and in its commitment to improving rural livelihoods.

40. IFAD had had a long collaboration with Uganda, for more than 80% of the country's population depended primarily on agriculture: together they would continue to strive to attain the goal of eradicating rural poverty. President Museveni's presence bore witness to his support of the Fund.

41. **Mr MUSEVENI** (President of the Republic of Uganda) delivered an inaugural address, the full text of which is reproduced in chapter 4.

42. **The CHAIR** thanked President Museveni for his address, which confirmed Uganda's commitment to the common goals of promoting development and helping the poorest.

KEYNOTE ADDRESS BY THE PRIME MINISTER OF THE KINGDOM OF BELGIUM

43. **His Excellency Guy Verhofstadt, Prime Minister of the Kingdom of Belgium, was conducted to his seat.**

44. **Mr BÅGE** (President of IFAD) said that it was also a privilege to welcome Prime Minister Verhofstadt to the Governing Council. Like Uganda, Belgium was an original member of the Fund, to which it had given unfailing support and guidance. Belgium's involvement had been further reinforced by the establishment of the Joint Programme with the Belgian Survival Fund. It was indeed fitting that Belgium's Prime Minister should be attending the Governing Council in the year of the programme's twentieth anniversary.

45. The partnership between Belgium and IFAD had tackled many of the problems of Africa's rural poor. The Belgian Survival Fund had supported particularly innovative projects in Uganda, including for example the Uganda Women's Effort to Save Orphans (UWESO), a grass-roots NGO enjoying the patronage of Uganda's First Lady. The consistency of Belgium's multilateral commitment and its focus on sustainable development were appreciated throughout the world. The Prime Minister's strong personal commitment to raising Belgium's official development assistance to the target of 0.7% of gross domestic product and his efforts to promote an inclusive process of globalization made him a leader of global development efforts.

46. **Mr VERHOFSTADT** (Prime Minister of the Kingdom of Belgium) delivered a statement, the full text of which is reproduced in chapter 4.

47. **The CHAIR** thanked Prime Minister Verhofstadt for his statement, which confirmed Belgium's constant interest in the work of IFAD and would encourage national and international efforts to reduce poverty and hunger.

MESSAGE OF THE SECRETARY-GENERAL OF THE UNITED NATIONS

48. **The CHAIR** read out a message from Mr Kofi Annan, Secretary-General of the United Nations, the full text of which is reproduced in chapter 4.

STATEMENT OF THE PRESIDENT OF IFAD (agenda item 4)

49. **Mr BÅGE** (President of IFAD) made a statement, the full text of which is reproduced in chapter 4.

50. **The CHAIR** expressed the Governing Council's appreciation of Mr Båge's comprehensive report on the work of IFAD, which reconfirmed his inspiring leadership and the staff's dedication to the fulfilment of the Fund's mandate of overcoming rural poverty. That was a vision shared by the whole Council, especially at a time when the international community was striving to attain the Millennium Development Goals.

MESSAGE OF THE DEPUTY PRIME MINISTER AND MINISTER FOR FOREIGN AFFAIRS OF THE REPUBLIC OF ITALY

51. **Mr MAGRI** (Italy) read out a message from Mr Gianfranco Fini, Deputy Prime Minister and Minister for Foreign Affairs of the Republic of Italy, the full text of which is reproduced in chapter 4.

52. **The CHAIR** thanked the representative of Italy on behalf of the Governing Council and asked him to convey its appreciation to Mr Fini for his eloquent confirmation of Italy's unswerving support for IFAD.

MESSAGE OF THE DIRECTOR-GENERAL OF THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

53. **Mr HARCHARIK** (Deputy Director-General, Food and Agriculture Organization of the United Nations) read out a message from Mr Jacques Diouf, Director-General of the Food and Agriculture Organization of the United Nations (FAO), the full text of which is reproduced in chapter 4.

54. **The CHAIR** thanked Mr Harcharik and asked him to convey the Governing Council's gratitude to Mr Diouf for his enlightening message. The Council valued highly the excellent relations and increasing collaboration between FAO and IFAD.

MESSAGE OF THE EXECUTIVE DIRECTOR OF THE WORLD FOOD PROGRAMME

55. **Mr GRAISSE** (Senior Deputy Executive Director, World Food Programme) delivered a statement on behalf of Mr James Morris, Executive Director of the World Food Programme (WFP), the full text of which is reproduced in chapter 4.

56. **The CHAIR** thanked Mr Graise and asked him to convey the Council's appreciation to Mr Morris for his forceful message, which highlighted the importance of working together for a world in which food insecurity and extreme poverty were things of the past.

APPOINTMENT OF THE PRESIDENT OF IFAD (agenda item 6) (documents GC 28/L.3, GC 28/INF.3 and GC 28/INF.7)

57. **The CHAIR** drew the Council's attention to document GC 28/L.3, indicating that the Fund had received two nominations for the Presidency of IFAD: Mr Jannes Hutagalung, nominated by the Republic of Indonesia, and Mr Lennart Båge, nominated by the Kingdom of Sweden. Rule 41.1 of the Rules of Procedure of the Governing Council provided that the appointment of the President of IFAD should be considered by the Council in a private meeting.

58. **The meeting went into private session at 12.15 hours and rose at 13.45 hours.**

- (ii) Summary Record of the Second Meeting of the Twenty-Eighth Session held on Wednesday, 16 February 2005, at 15.00 hours

CHAIRPERSON: NELSON MACHADO (BRAZIL)

	Paragraphs
Appointment of the President of IFAD (agenda item 6, continued)	60 - 78
General Statements (agenda item 5)	
– France	79 - 81
– Algeria	82 - 84
– Paraguay (on behalf of the Group of Latin American and Caribbean Countries)	85 - 86
– Republic of Korea	87
– Sweden (on behalf of the Nordic countries)	88 - 90
– Cameroon	91 - 93
– China	94 - 96
– Sudan	97 - 98
– Japan	99 - 100
– Kenya	101 - 102
– Syrian Arab Republic	103 - 104
– Pakistan	105 - 107
– Mauritania	108 - 109

59. **The meeting was called to order at 15.45 hours.**

APPOINTMENT OF THE PRESIDENT OF IFAD (agenda item 6, continued) (documents GC 28/L.3, GC 28/INF.3 and GC 28/INF.7)

60. **The CHAIR** announced that the ballot for the election of the President of IFAD had been completed.

61. **The result of the vote was as follows:**

	Votes
Mr Lennart Båge (Kingdom of Sweden)	1 732.940
Mr Jannes Hutagalung (Republic of Indonesia)	617.705
Abstentions	0.106

62. **Neither candidate obtained the required two-thirds majority of 1 756 votes.**

63. **The CHAIR** suggested that, since in accordance with Rule 41.2 of the Rules of Procedure there was now only one nominee, the Governing Council might wish to appoint Mr Båge by acclamation.

64. **Mr NAZIER** (Indonesia) said that his delegation objected to the use of the acclamation formula. According to paragraphs 10 and 11 of the background note (document GC 28/INF.7), there should now be a second ballot in which the nominee who had received the fewest votes did not participate. That procedure should then be repeated until one of the nominees received at least two thirds of the total number of votes or the Council decided that the balloting should be discontinued.

65. **Mr CODRAI** (General Counsel of IFAD) said that Rule 35, paragraph 1, of the Rules of Procedure required the Chair first to try to secure a consensus on any issue. Rule 41.1 provided that voting should take place in accordance with Rule 38.1, which allowed the Council, when only one nominee remained, to appoint that nominee without voting.

66. **Mr AL-AQUIL** (Saudi Arabia), speaking on behalf of List B, requested a brief suspension of the meeting for consultations.

67. **Mr ABOUBAKARY** (Cameroon), speaking on behalf of List C, also requested time for consultations.

68. **The meeting was suspended at 15.55 hours and resumed at 17.25 hours.**

69. **The CHAIR** said that the three Lists were now ready to proceed to reappoint Mr Båge as President of IFAD. He invited the Governing Council to adopt the draft resolution on the appointment of the President of IFAD.

70. **Resolution 136/XXVIII on the appointment of the President of IFAD was adopted.**

71. **Mr BÅGE** (President-elect of IFAD) expressed his gratitude to the Governing Council and the Member States from all the Lists for their support. He was deeply honoured to have been re-elected President of IFAD and was aware of the responsibility which the appointment entailed. He looked forward to continuing to work with Mr Hutagalung and benefiting from his sound advice, and

reiterated his intention to develop a strong and productive working relationship with Indonesia, an original Member State of the Fund, as indeed with the other countries affected by the tsunami.

72. It was important for all Member States to rally around IFAD, especially with a view to an increased replenishment target. All Member States were important to IFAD, and he looked forward to working with them over the next four years to fulfil the Fund's challenging mandate: the needs were great, but a truly joint effort would produce extraordinary results for the rural poor.

73. **Mr HUTAGALUNG** (Indonesia) congratulated Mr Båge on his reappointment and assured him of his full support over the next four years. He was sure that the President would enjoy similar support from the entire membership.

74. Having grown up in rural Indonesia, he sincerely believed that education and health services and such benefits as road networks were essential to rural development and the fight against poverty. IFAD had been created precisely for those purposes; it now had to do more to improve its delivery system and become a more effective tool.

75. One reason for his defeat was no doubt the inadequacy of his platform and campaign, but it was also true that the IFAD voting structure made it very difficult for a candidate from a country such as Indonesia to secure election as President. Another point that might warrant reflection by the Governing Council was that two terms of office as President of the Fund appeared to have become the norm; if that were indeed the case, some amendment might be needed to the relevant statutory provisions. However that might be, he was sure that during Mr Båge's second term of office the Fund would grow stronger and enjoy increased resources: with the support of the whole membership it could become a genuine instrument for helping poor people in the poorest countries.

76. **Ms GLAD** (Norway), speaking on behalf of List A, congratulated Mr Båge on his reappointment. During his first term of office he had embarked on an ambitious programme to strengthen the Fund's efficiency, transparency and impact. His objectives for his second term were equally ambitious, for they included increasing the Fund's resources through the Seventh Replenishment exercise in order to reach more rural people and make a greater impact on poverty reduction. The members of List A looked forward to working with the President and his staff to attain the goals of the Fund's unique mandate.

77. **Mr TOVAR Y DE TERESA** (Mexico) expressed the satisfaction of List C members with the outcome of the election. They knew that Mr Båge would strive to ensure that the poorest rural people would receive greater benefit from the Fund's resources to help them to overcome their marginalization and poverty. They acknowledged the President's achievements during his first term of office and hoped that his second term would be even more effective. They were grateful to the other candidate and the Government of Indonesia for their commitment to their mission in IFAD. Mr Hutagalung's talent and experience would continue to be very important for the Fund and his vision of development would be brought closer to fulfilment in the course of the Seventh Replenishment exercise.

78. **Mr AL-AQUIL** (Saudi Arabia), speaking on behalf of List B, congratulated Mr Båge on the confidence which his reappointment signified. Indonesia was to be commended for the courage and dignity displayed by its candidate. The Member States of the Organization of the Petroleum Exporting Countries (OPEC) had taken part in the elections in the knowledge that they held only 17% of the voting rights in order to give the developing countries an opportunity of choosing the next President, for the List C countries held over 37% of the votes and benefited most from the Fund's activities. List B welcomed the outcome of the election. IFAD should be able to continue its work without changing the historical role played by the OPEC Member States. The List B countries would raise some related points in connection with the Seventh Replenishment.

GENERAL STATEMENTS (agenda item 5)

79. **Ms RENAUD-BASSO** (France) said that 2005 was a pivotal period for development assistance. The forthcoming review at United Nations headquarters of progress towards attainment of the Millennium Development Goals (MDGs) was prompting intensive activity to increase the volume and quality of development assistance, with new proposals from many quarters among the international community. Against that background, with the fresh motivation for fighting poverty, the task of IFAD was to work dynamically in a full understanding of agricultural and other rural needs. More resources were now being devoted to development in that area; indeed the Millennium Project was based on it. At Maputo in 2004, the States of Africa had also undertaken to allot 10% of their budgets to agricultural and rural development.

80. Turning to the Fund's management and operations, she drew attention in particular to the reform of investment policy, including protection against the unacceptable risks of market fluctuations and losses, to the improvement of budgetary procedures and to the performance-based allocation system (PBAS). The results described by the Audit Committee showed great improvement in those areas. It was too early to assess the PBAS, but the principle was fundamental: because of its specific sectoral mandate IFAD must assess Member States on the basis of their commitment to improving the living conditions of the rural poor. The recent Independent External Evaluation (IEE) illustrated the Fund's strengths and weaknesses and pointed to ways of boosting its effectiveness. It was to be hoped that IFAD would shortly submit a report on how it was dealing with the observed shortcomings, with a view to discussion of the topic as part of the replenishment exercise.

81. IFAD should operate as a kind of think-tank for producing new ideas and should promote a global approach to helping the rural poor, as well as going into the areas neglected by other organizations, where the targets might be quite different. IFAD was right to be looking at the synergies between development and general policies. The effectiveness of its work was one of its major challenges. France reaffirmed its confidence that the Fund and its staff would attain their very ambitious targets.

82. **Mr BARKAT** (Algeria) stressed the importance Algeria attached to the pioneering action taken by the Fund to fulfil its mission. The efforts of the international community to attain the MDGs having failed to lead to significant change, urgent action was required, in particular to narrow the widening gap between poorer and richer countries. IFAD could open up new opportunities for the disadvantaged, using its own resources to act initially as a precursor and subsequently as a catalyst bringing together the resources of the various donors in order to ensure a sustainable income for the poorest regions of the world, especially in Africa, and to have a direct impact on the attainment of the MDGs.

83. The use of the PBAS would improve conditions at the national level for reducing poverty on a sustainable basis and boosting rural development and portfolio performance. However, the PBAS criteria should be used prudently and not act as a barrier to access to IFAD resources by the poorest countries. IFAD was commendably supporting the rural and agricultural components of the New Partnership for Africa's Development (NEPAD).

84. The rural areas of sub-Saharan and North Africa, already seriously affected by drought, were now afflicted by locusts. His delegation appreciated the efforts of IFAD, together with other international organizations such as FAO, to secure synergies and mobilize resources to help the affected countries, notably in the Sahel, but the plague was likely to develop and the region's food insecurity was bound to increase further in the short term. Algeria appealed urgently to the international community and the donor countries to help the affected countries. IFAD and other

bilateral and multilateral institutions should also take an active part, by providing grants and loans, in projects benefiting the threatened communities.

85. **Mr FIGUEREDO FRATTA** (Paraguay), speaking on behalf of the Group of Latin American and Caribbean Countries, said that the present session was especially important for the consultations on the Seventh Replenishment, when the Member States would have an opportunity to show their commitment to IFAD and its goals. The negotiations should be launched on a participatory basis with a view to taking practical action to secure increased resources to finance productive projects. After four years of intensive reform it was time to direct energies and resources to the objectives for which the Fund had been created. Only 40% of the pledges to the Sixth Replenishment had been delivered, mainly because of arrears by some of the major contributors. He appealed to those countries that had not yet made good on their pledges to do so without delay. IFAD was a tool for attaining the MDGs, and thought would have to be given to its contribution to the forthcoming progress review. The panel discussion and round tables at the current session would certainly provide useful input in that regard.

86. The PBAS was one of the Fund's most effective instruments, and a study of its impact on countries and regions would be welcome. The period leading up to the Seventh Replenishment was a good time to reflect on IFAD's future, the scope of its projects and their impact on rural poverty reduction. Action in the next four years, the recommendations to emerge from the consultations and the new strategic framework should be directed squarely towards increasing the productive projects financed by the Fund.

87. **Mr KIM** (Republic of Korea) said that his Government expressed its condolences to the victims of the tsunami, which, in addition to the death toll, had destroyed the livelihoods of millions of fishers and farmers. It had pledged to grant USD 50 million over a three-year period, as well as providing practical assistance with the rehabilitation work and information technology for the establishment of an early warning system. Given the new awareness of the need for coordinated action in the wake of a natural disaster, IFAD should seek to coordinate the rehabilitation efforts with other international bodies. International assistance should also focus on increasing the productivity of agriculture and fisheries and on poverty alleviation in general in the medium and long term. The Republic of Korea was ready to share its own experience of overcoming poverty caused by the devastation of war.

88. **Ms JACOBY** (Sweden), speaking on behalf of the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden), said that they were grateful for the endorsement of the President of IFAD by all the Lists and were sure that the next four years would see increased efficiency in the Fund's efforts to meet the needs of the rural poor. The response to the tsunami disaster had been heartening, but additional resources would be required for long-term reconstruction. Committed action would also be crucial for the review of progress towards attainment of the MDGs, for the Millennium Project Report maintained that a greater effort would be required from the whole international community to combat world poverty, especially in rural areas, and that the next four years would be decisive.

89. IFAD provided significant support for the empowerment of the rural poor by helping them to acquire the knowledge, skills and organizational capacity to gain access to resources and services and through its partnerships and country-specific approaches. The Nordic countries were sure that the need for improvements revealed by the Independent External Evaluation of IFAD would be addressed effectively.

90. There had also been a number of very impressive achievements: IFAD was on the right track but must consolidate the initiatives introduced in the previous four years, thereby making for a more efficient and financially stronger organization and contributing to the improvement of the lives of the rural poor and the attainment of the MDGs. The Fund's achievements provided a sound stepping

stone to the Seventh Replenishment and the determination of the strategic way ahead. The Nordic countries would continue to cooperate with other Member States: joining hands in IFAD would help to secure an even better future for the rural poor.

91. **Mr ABOUBAKARY** (Cameroon) said that the theme of the twenty-eighth session was a timely one in the light of the Millennium Project Report and the forthcoming review of progress towards attainment of the MDGs. Meeting the goals implied achieving GNP growth rate targets that few developing countries were likely to attain. IFAD was to be commended in that connection for participating in the Heavily Indebted Poor Countries (HIPC) Debt Initiative, and the international financial community was urged to work with countries to achieve their completion points. But IFAD needed to increase the ratio of grants and loans on highly concessional terms to ordinary loans. The recent increase by the Executive Board of the President's authority to approve country grants and grants in higher amounts was a positive step.

92. Fair trade, especially in agricultural products, was an essential means of helping the developing countries to diversify their sources of revenue and boost their economies. The current negotiations in the World Trade Organization (WTO) must therefore be brought to a successful conclusion. It was regrettable that, with some commendable exceptions, the developed countries had failed to meet the target of allocating 0.7% of GNP to official development assistance (ODA). The promotion of good governance and human rights in the developing countries was desirable but would take time and require continuous international support. Increased spending on arms at the expense of development constituted a manifest contradiction. There was a danger that the generous reaction to the needs of the tsunami victims might divert resources from the poorest countries, especially African ones, which were suffering their own disasters. Unless world leaders took action to double ODA, provide debt relief and reform unfair trade rules, there was no hope of attaining the MDGs.

93. The commitment to increase resources under the Sixth Replenishment had not been met in full, so that the present volume of the Fund's resources did not allow a satisfactory level of programmes and project financing or the proper use of its essential policy tools. Cameroon, for its part, had increased its contribution by 25%. His delegation had previously warned of the possible adverse effects of the PBAS, which might in fact undermine IFAD in the longer term; it continued to be sceptical about the actual design of the PBAS. The Fund should already be drawing lessons from the findings of the Independent External Evaluation, pending the Executive Board's examination of the evaluation report. It should also be exploring ways of implementing the agreement signed with NEPAD.

94. **Mr LI** (China) commended IFAD's efforts to reduce global poverty and its support for China's rural development programmes. In the context of economic globalization, attainment of the MDGs and increasing global economic interdependence, the international community must pursue its efforts to reduce poverty in the longer term through coordinated strategies and partnerships, while in the medium and short terms the Doha Round negotiations were the most urgent task. The developed countries should create a favourable climate for the growth of the developing countries, which in turn should participate in the globalization process. The international development agencies should act as the engines of poverty reduction. In order to play an even more effective role IFAD should give more attention to four points: its strategies should be tailored to its Member States' long-term needs; it should incorporate more international experience into its operations in order to obtain greatest benefit from its limited resources; it should build up its own capacities; and it must improve its performance evaluation and adjust its operations to a fast-changing world. The President's proposals for moving forward on three fronts were welcome in that regard.

95. Over the previous 25 years millions of the rural poor in China had benefited from his country's collaboration with IFAD, especially under China's rural financial reform process. The anti-poverty efforts led by his Government, in particular the campaigns targeted on the rural poor since the early

1980s and the establishment of social partnerships to fight poverty, had been closely linked to the country's rapid economic growth, which had created the foundation for poverty alleviation and rural development. But poverty alleviation remained a daunting challenge calling for long-term commitment and international assistance. The Government had set a target of comprehensive balanced sustainable development in line with the MDGs.

96. The poverty alleviation efforts of China and other countries were mutually beneficial, and China would continue to explore new avenues of South-South cooperation and cooperation with the rest of the international community, for the fight against poverty was a common endeavour. The poverty reduction conference organized by his Government and the World Bank in Shanghai in 2004 had highlighted the inspiring results of that endeavour.

97. **Mr JUBARA MOHAMED** (Sudan), highlighting the recent signature of the comprehensive peace agreement in the Sudan, said that concerted international efforts were required to help his country overcome the devastation wreaked by two decades of war. Agriculture was a mainstay of the impoverished Sudanese population. Donor support was therefore urgently needed to implement the numerous programmes and projects designed to achieve sustainable agricultural development and reduce poverty. The Sudan's development efforts were also hampered by its foreign debt burdens. It therefore looked forward to benefiting from the HIPC Debt Initiative, not least in view of the robust measures which it had introduced in order to meet the qualifying conditions.

98. In regard to regional cooperation, the Sudan continued to participate in various initiatives, including NEPAD. In the current climate of peace, it looked forward to the Fund's support for and swift approval of its own agricultural development projects. In addition, the developed countries should open up their markets and eliminate all barriers in order to facilitate trade opportunities. At the bilateral level, the Sudan was engaged in efforts with neighbouring countries aimed at improving food security and combating transboundary diseases, in which connection he thanked the Saudi Arabian Government for its assistance in fighting the region's recent plague of locusts. At the local level, the Sudan was currently building its capacities with a view to the advancement of all sectors, especially that of agriculture. He concluded by thanking all those who had supported his country's peace process and its major development projects, notably the Intergovernmental Authority on Development (IGAD) and its partners, in particular the Government of Kenya.

99. **Ms MATSUBARA** (Japan) said that Japan had always regarded agriculture as one of the most important sectors for poverty reduction in the least developed countries. In 2002 alone its agricultural assistance had totalled USD 640 million, at 40% by far the largest contribution to bilateral ODA in the sector. Japan greatly appreciated the efforts of IFAD to concentrate on small-scale projects in the poorest areas and to strengthen results-based management and financial management. All donors and aid agencies should pay more attention to the most vulnerable groups, including the rural poor. Japan's New Rice for Africa (NERICA) project was aimed at poverty reduction and fitted perfectly into the IFAD strategy for agriculture. It requested further IFAD support for the project.

100. It was the poor who suffered most from natural disasters such as the tsunami. The donor communities must bring together their experience and skills to mitigate the tsunami's effects. Japan had disbursed USD 50 million in grant aid, as well as co-hosting the recent World Conference on Disaster Reduction and proposing an initiative for disaster reduction through ODA. It would also be promoting multilateral projects and in that context welcomed the Fund's loan commitment of USD 10 million for the reconstruction of tsunami-affected areas.

101. **Mr ARAP KIRWA** (Kenya) said that the importance of IFAD for Kenya and indeed other developing countries lay in its focus on poor communities: 70% of Kenya's population derived its livelihood from agriculture, and the development of the farm sector would receive much more attention under the national economic recovery strategy. IFAD's programmes would play a pivotal

role in the sector, in particular the two projects included in the 2005 work programme which were crucial to the Kenyan strategy. Agriculture was the key to attainment of the MDGs and stood at the top of Kenya's agenda for 2005, which included a conference on the strategy for revitalizing agriculture and a donor consultative group meeting.

102. Much had been learned from Kenya's long association with IFAD. In fact, their relationship was a demonstration of how a partnership should work. The expected increase in the Fund's portfolio of loans to Kenya depended on two issues. Firstly, the PBAS: the Fund should exercise caution in applying the system, for it might impede rather than improve access to funding. Kenya was doing its best to streamline its financial systems but needed time to build the necessary capacity in rural areas. Secondly, personnel: as its loan portfolios increased, IFAD would have to provide a constant presence at the country level. His delegation supported in that connection the Field Presence Pilot Programme initiated in 2004.

103. **Mr SAFAR** (Syrian Arab Republic) said that IFAD made generous efforts to eliminate the poverty and malnutrition suffered by millions of people throughout the world, in particular by boosting the development of poor agricultural areas. Syria's farm sector was an important element of its development strategies and had been the target of steps to secure increased and sustainable production. Tremendous results had been achieved through the application of technology. On his visit to Syria the President of IFAD had remarked on the Government's interest in the projects financed by the Fund and their impact on the lives of rural people. Syria still had far to go in terms of increased agricultural production. It appreciated the Fund's assistance in that regard and supported its plans and programmes for the alleviation of rural poverty throughout the world.

104. Rural development in particular was a pressing issue in the Middle East region. It depended on the mobilization of all human and natural resources, as well as on security and stability, and was impeded, inter alia, by the Israeli occupation of Arab territories. The region's development depended on a just and comprehensive settlement based on international legitimacy.

105. **Mr KHAN BOSAN** (Pakistan) said that it was worth contemplating whether any progress had been made towards attainment of the fairly modest goals set at the 1996 World Food Summit, let alone the more ambitious MDGs. Despite increased world food production, the access of millions of human beings to an adequate food supply remained constrained by extremely high poverty levels. Pakistan's poverty reduction strategy was based on the proven concept that economic growth was central to poverty reduction, and agriculture was seen as the vehicle for the economic growth of rural dwellers, who accounted for 67% of the total population. With Pakistan's strong economic growth and high level of social spending over the previous five years, poverty levels had started to decline. The Government was aware that much more needed to be done and looked forward to cooperating with its international partners to alleviate poverty and hunger.

106. The July package agreed in the WTO negotiations had raised hopes of an equitable international trade order based on magnanimity towards the less strong countries which would help to achieve the goals of alleviating poverty and hunger. The provision of assistance and its terms of delivery needed a similarly open-minded approach, which seemed to be emerging in the international community. The world assistance effort following the tsunami disaster confirmed that impression. Food aid such as that provided by WFP was crucial, but ways must be found of obviating the need for such aid. IFAD's mandate enabled the Fund to reach the poorest of the poor, yet its annual resources under the Sixth Replenishment were less than USD 190 million. The Fund's proposed lending programme of USD 450 million for 2005 was just a drop in the ocean. His delegation called on the Member States, in particular the richer ones, to support the Sixth Replenishment with several times the current level of resources.

107. The PBAS seemed an appropriate approach, but the countries most in need of the Fund's assistance might suffer as a result of their inability to respond to the system. Pakistan had in fact asked for its PBAS exercise to be repeated and had pointed to several factors essential to the system's success. The PBAS needed to be reviewed and modified. His delegation endorsed the proposed administrative budget for 2005 and the special expenditure on the new headquarters building.

108. **Mr N'GAM** (Mauritania) said that Mauritania and IFAD worked together in an exemplary manner to secure rural development and combat rural poverty, and it was to be hoped that the number of IFAD-funded projects would increase. His Government had adopted a national poverty reduction strategy for 2001-2015, whose objectives were consistent with the MDGs. The strategy had now become the main instrument of the country's development and enjoyed the support of IFAD. Recent surveys had shown that poverty had declined by 10%. In the light of those surveys the Government was to produce a second poverty reduction strategy for 2006-2009. Mauritania stood at a development crossroads: its social improvements and increased financial resources led it to expect to intensify the fight against poverty in the 10 years up to 2015. It continued to look to IFAD support in that undertaking.

109. Mobilizing funds for the Seventh Replenishment should be a priority for all countries, providing the Fund with further resources to continue its struggle against poverty and hunger. As in the past, Mauritania would endeavour to fulfil its commitments under the replenishment within the deadlines. He expressed misgivings about resource allocation based on the criterion of population, which would not help reduce poverty in sparsely populated countries, and hoped that other relevant criteria, such as poverty rates themselves and such related factors as the impact of poverty on rural production and rural illiteracy rates would be taken into account.

110. **The meeting rose at 19.55 hours.**

(iii) Summary Record of the Third Meeting of the Twenty-Eighth Session held on Thursday, 17 February 2005, at 9.30 hours

CHAIRPERSON: NOBUKO MATSUBARA (JAPAN)

	Paragraphs
Report on the Sixth Replenishment of IFAD's Resources (agenda item 7)	112 - 113
Seventh Replenishment of IFAD's Resources (agenda item 8)	114 - 115
Audited Financial Statements of IFAD – 31 December 2003 (agenda item 9)	116 - 121
Administrative Budget of IFAD and its Office of Evaluation for 2005 (agenda item 10)	122 - 130
Special Expenditure for IFAD's New Headquarters (agenda item 11)	131 - 133
General Statements (agenda item 5, continued)	
– Zimbabwe	134 - 136
– Bhutan	137 - 138
– Tunisia	139 - 141
– Nigeria	142 - 144
– Indonesia	145 - 147
– Mali	148 - 150
– Spain	151 - 152
Panel Discussion – “Achieving the Millennium Development Goals: Rural Investment and Enabling Policy”	153 - 187

111. The meeting was called to order at 9.55 hours.

REPORT ON THE SIXTH REPLENISHMENT OF IFAD'S RESOURCES (agenda item 7)
(documents GC 28/L.4 and Add.1)

112. **Mr ENWEZE** (Vice-President of IFAD) said that, as at 11 February 2005, total pledges to the Sixth Replenishment, including complementary contributions, amounted to USD 505.6 million equivalent, or 90.3% of the pledge target of USD 560 million. As at the same date, the aggregate amount of instruments of contribution deposited and payments not supported by instruments of contribution amounted to USD 442.8 million equivalent, or 87.6% of pledges, while payments in cash and promissory notes amounted to USD 268 million equivalent, or 53% of pledges. Additional payments had been received since 11 February 2005 from Finland and Uganda, totalling USD 1.5 million equivalent. Of the total pledges of USD 505.6 million equivalent, pledges of complementary contributions amounted to USD 28.7 million equivalent, of which USD 11.5 million equivalent, or 40.2%, had been paid. Member States that had not deposited their respective instruments of contribution or paid their contribution to the Sixth Replenishment were requested to take the necessary measures at the earliest possible date. IFAD thanked Member States for their demonstration of support, but both IFAD and its membership must continue to make every effort to secure the commitment of those countries that had not yet pledged their contributions.

113. The Governing Council took note of the Report on the Sixth Replenishment of IFAD's Resources.

SEVENTH REPLENISHMENT OF IFAD'S RESOURCES (agenda item 8) (document GC 28/L.5)

114. **The CHAIR** said that, with the Sixth Replenishment concluding on 31 December 2006, the Council must now focus on IFAD's resource requirements from 2007 onwards to ensure continuity. Document GC 28/L.5 contained a draft resolution to establish a Consultation on the Seventh Replenishment of IFAD's Resources. The Consultation would consist of all Member States from Lists A and B and fifteen Member States from List C to be appointed by the List C membership. The Secretariat had been informed that after consideration within each List C Sub-List the following Member States had been proposed as List C Members of the Consultation: from Sub-List C1, Cameroon, Egypt, Ghana, Mozambique and the Sudan; from Sub-List C2, Afghanistan, China, India, Pakistan and the Republic of Korea; and from Sub-List C3, Argentina, Brazil, Guatemala, Mexico and Panama. The draft resolution also provided for the Consultation to invite such other Member States to participate in the Consultation as might facilitate its deliberations, and in that respect the Secretariat had been informed that List C wished to invited Mali, Peru, Sri Lanka, Turkey and the United Republic of Tanzania as observers to the Consultation's proceedings.

115. The Governing Council adopted Resolution 137/XXVIII and approved the List C composition of the Consultation.

AUDITED FINANCIAL STATEMENTS OF IFAD – 31 DECEMBER 2003 (agenda item 9)
(documents GC 28/L.6 and GC 28/INF.14)

116. **The CHAIR** said that the Executive Board had reviewed the audited financial statements for 2003 at its Eighty-First Session, in April 2004, and had recommended that they be submitted to the Governing Council for approval.

117. **Ms KNOPF** (Assistant President, Finance and Administration Department of IFAD) said that the reporting basis and accounting principles used for preparing the financial statements had been changed from the previous year to reflect IFAD's practice of aligning itself with international financial reporting standards and emerging best practices in financial reporting. The principal change

had related to the fact that the 2003 financial statements included consolidated data for IFAD and entities which had a direct link to IFAD's core activities, including supplementary funds.

118. Income from interest and service charges on loans had amounted to USD 47.1 million in 2003 compared with USD 42.4 million in 2002. Gross income from cash and investments had amounted to USD 113.5 million in 2003, compared with USD 34.1 million in 2002. IFAD's 2003 administrative budget had amounted to USD 49.1 million, the Programme Development Financing Facility (PDFF) USD 25 million, the Strategic Change Programme USD 6.2 million, and other sources, mainly host Government reimbursements, USD 6.7 million. The increase in costs in United States dollar terms included the effect of the costs incurred in euros, where the euro had appreciated by 24.4% against the United States dollar based on the year-end exchange rate. Since 1997 IFAD had been participating in the Heavily Indebted Poor Countries (HIPC) Debt Initiative, and in 2003 there had been a charge of USD 41 million, representing the shortfall between the total cumulative cost of debt relief including future interest and the cumulative funds available.

119. The financial statements for 2004 were currently being finalized and examined by the external auditor, and for information purposes the highlights of the 2004 figures were provided in document GC 28/INF.14. Preliminary results indicated that gross investment income before direct investment expenses in 2004 had amounted to approximately USD 115.2 million, compared with USD 113.5 million in 2003, reflecting the continued positive impact of the investment policy adopted in 2001 and representing an average net rate of return on the investment portfolio of some 4.5%. As at 31 December 2004, the market value of the investment portfolio had stood at USD 2.6 billion, compared with USD 2.4 billion in the previous year. Contributions overdue had improved slightly in comparison with the situation at the end of 2003. Loan principal repayments had amounted to USD 171.7 million in 2004 compared with USD 140.1 million in 2003, while loan and grant disbursements had amounted to some USD 331.5 million in 2004 compared with USD 304.3 million in 2003. The 2004 financial statements would be reviewed by the Audit Committee in March 2005 and presented to the Executive Board in April 2005.

120. **The CHAIR** invited the Council to approve the financial statements showing the financial position of IFAD as at 31 December 2003 and the results of its operations for the year ended on that date, as contained in Appendices A to H inclusive of document GC 28/L.6 and the report of the external auditor thereon.

121. **It was so decided.**

ADMINISTRATIVE BUDGET OF IFAD AND ITS OFFICE OF EVALUATION FOR 2005 (agenda item 10) (document GC 28/L.7)

122. **The CHAIR** said that, at its Eighty-Third Session, the Executive Board had reviewed the proposed budgets for the Fund and the Office of Evaluation and had recommended that they should be put before the Governing Council for its approval.

123. **Ms KNOPF** (Assistant President, Finance and Administration Department of IFAD) said that, at its Eighty-Third Session, the Board had approved the 2005 programme of work, which amounted to SDR 337.7 million, equivalent to USD 500 million, and would cover some 28 planned projects. However, that amount would be reviewed at each Board session in the light of resource availability in 2005. The Board had also approved the 2005 PDFF in an amount of USD 29.9 million, and the use of up to USD 1.2 million plus any uncommitted balance from 2004 for the Field Presence Pilot Programme. In addition, the Board had approved the proposed use of the complementary contributions from the United Kingdom of Great Britain and Northern Ireland and from Canada for the main phase of the Innovation Mainstreaming Initiative and for supporting the achievement of the results and impact objectives of the Sixth Replenishment's action plan.

124. The Board had reviewed the IFAD administrative budget for 2005, proposed at a level of USD 53.3 million, plus USD 3.6 million to cover one-time costs, and the administrative budget of the Office of Evaluation, proposed at a level of USD 4.69 million. The euro-United States dollar exchange rate of 0.819 had been used in the calculation of those budgets.

125. At its Twenty-Seventh Session, the Governing Council had approved the amendment of IFAD's Financial Regulations to allow for the carry-over of unobligated appropriations up to 3% of the administrative budget. Some USD 1.5 million had been carried forward into 2004. The euro-United States dollar exchange rate at the time of the Twenty-Seventh Session of the Council had been 0.78, which represented a 13% increase over the rate of 0.898 used to prepare the 2004 budget. Consequently, the Council was invited to approve the 2004 administrative budget restated at the February 2004 rate. The 2005 administrative budgets had been prepared using the 0.819 exchange rate, while the prevailing rate as at 9 February 2005 was 0.78, representing a variation of 4.8%. The variation was not material, and it was therefore recommended that the Council approve the administrative budgets of IFAD and the Office of Evaluation at the levels of USD 53.3 million and USD 4.69 million respectively, as set out in the draft resolution contained in document GC 28/L.7.

126. **Mr LAVIZZARI** (Director, Office of Evaluation of IFAD) said that, as per the provisions of the IFAD Evaluation Policy, the work programme and administrative budget of the Office of Evaluation had, for the second time, been prepared independently of IFAD management and transmitted together with the work programme and administrative budget of IFAD, although as a separate submission, to the Executive Board for approval prior to their submission to the present meeting of the Governing Council. The approval by the Executive Board at its session in December 2004 of that work programme and its agreement to recommend approval of the administrative budget to the Governing Council had marked the completion of a long iterative process, started in September 2004, when the preview of the Office of Evaluation's work programme and budget had been discussed with the Evaluation Committee and the Executive Board. In line with the guidance offered as a result, the Office of Evaluation had produced a more comprehensive document, which had been discussed at a special session of the Evaluation Committee at the end of October 2004. Taking into account the additional suggestions subsequently provided by the latter, the Office of Evaluation had submitted its final proposal on its 2005 work programme and budget for consideration by the Board in December 2004, following their discussion by the Audit Committee during the previous month.

127. In developing its proposal for 2005, the Office of Evaluation had taken into consideration the lessons learned from the implementation of its 2004 work programme and budget, as discussed in paragraphs 86 to 92 of document GC 28/L.7. The Office of Evaluation and IFAD were gradually becoming more familiar with the requirements of the evaluation policy, particularly in regard to the development, overall management and monitoring of the work programme and budget of the Office of Evaluation, as well as in regard to the management of its human resources. Such an understanding was crucial to ensuring the smooth and effective delivery of the core objectives and activities of the Office of Evaluation.

128. The Office of Evaluation had four priorities for 2005: to complete supervision of the Independent External Evaluation of IFAD; to conduct selected corporate-level country programme, thematic and project evaluations, with particular focus on the Direct Supervision Pilot Programme, IFAD's rural finance policy, two regional strategies, namely in Asia and the Pacific and in the Near East and North Africa regions, and country programmes in Bangladesh, Mali, Mexico, Morocco and Rwanda; to conduct specific evaluation work required under the evaluation policy for presentation to the Executive Board and its Evaluation Committee such as the preparation of the annual report on the results and impact of IFAD's operations; and to develop further its methodology and continue conducting evaluation outreach.

129. After drawing particular attention to Annexes XIII and XIV of document GC 28/L.7, he said that the 2005 work programme of the Office of Evaluation had been designed for execution within a budget envelope of USD 4.69 million; the budget was presented both by expenditure and according to priorities and activities for 2005 in Annex XII of the document.

130. Resolution 138/XXVIII on the Administrative Budget of IFAD and its Office of Evaluation for 2005 was adopted.

SPECIAL EXPENDITURE FOR IFAD'S NEW HEADQUARTERS (agenda item 11) (document GC 28/L.8/Rev.1)

131. **The CHAIR** recalled that, at the previous session of the Governing Council, the host Government had formally announced its intention to provide new headquarters premises for the Fund, the advantages of which included the creation of a stable, secure and efficient environment. To that end, however, IFAD would be required to bear various renovation expenses not covered under the Host Government Headquarters Agreement.

132. **Ms KNOPF** (Assistant President, Finance and Administration Department of IFAD) said that the renovation of the new headquarters had commenced in January 2005 and that staff would ultimately be united in a single work place by early 2007. The preliminary contract with the landlord, Pirelli & C. Real Estate, who was responsible for completing the renovations, had been signed in December 2004. The construction plans had been finalized at a total estimated cost of EUR 25.4 million. In that same month, the Board had also decided to approve the recommendation to the Governing Council for a special expenditure of EUR 3.4 million relating to the renovation work, as detailed in document GC 28/L.8/Rev.1. She stressed that the safety of staff and the efficiency achieved by locating staff in one building remained the primary objectives.

133. Resolution 139/XXVIII on the special expenditure for IFAD's new headquarters was adopted.

GENERAL STATEMENTS (agenda item 5, continued)

134. **Ms MUCHADA** (Zimbabwe) outlined the critical situation of vulnerable groups in sub-Saharan Africa, noting that, through such initiatives as NEPAD, African governments were making serious attempts to eradicate poverty, hunger and food insecurity. Zimbabwe had been achieving considerable success until forced to suspend its poverty reduction strategies following two years of drought, which had badly affected the country's agricultural production. Thus obliged to use its foreign exchange to import food and other commodities, Zimbabwe had nevertheless committed resources to continue with the outstanding work until such time as the suspension was lifted. It also remained committed to honouring its obligations to institutions such as IFAD, having recently deposited USD 300 000 in IFAD's account as a first step towards making good its arrears. The expectation was that Zimbabwe's normal loan repayments to IFAD and other international partners would be resuscitated as a result of the improvements generated by the tight monetary policy now in place.

135. Zimbabwe was seeking to meet the MDGs by implementing a variety of coordinated programmes designed to enhance food security, empower women and promote equal access to key agricultural inputs. The participation of all stakeholders in its economic recovery programme, which specifically targeted poverty reduction, was encouraging. With private-sector participation, IFAD should be in a position to find prospective partners for the next operational phase.

136. Further work was needed to develop objective, sensitive and measurable criteria for the PBAS. She expressed some dissatisfaction with the rating accorded to Zimbabwe, considering its heavy investment in agricultural extension and rural infrastructural development and her Government's

commitment to the rural population and to gender mainstreaming. IFAD should consult closely with governments when applying its system of assessment, the benefits and shortcomings of which should be periodically reviewed with a view to adjustment. In the interest of preserving the gains already achieved, she hoped that IFAD would address the cases of various countries in her region where the allocations fell short of the requirements for programmes on the ground. She also hoped that IFAD would give due attention to the effects of the devastating HIV/AIDS pandemic by assisting in national efforts to help those affected by the disease. IFAD must adhere to its objective of helping the poorest of the poor and not dilute its mission. She hoped that programme implementation would be improved by the external evaluation under way.

137. **Mr NGEDUP** (Bhutan) said that Bhutan had viewed the effects of the tsunami of 26 December 2004 with particular concern, as only a few months before unusually heavy rainfall had caused loss of life and property in one of the most fragile and poorest areas of eastern Bhutan, making it clear that the country required disaster management strategies and needed to collaborate at regional and international levels in preparing long-term plans.

138. A study undertaken in Bhutan in 2004 had revealed that 31.7% of the country's population was living on less than one United States dollar per day. Another study, on poverty and its links with road and market access, had revealed that infrastructure was a pressing need for Bhutan if the country was to achieve the MDGs. IFAD was to be commended for its support to rural infrastructure development. He highlighted his Government's efforts to boost farm incomes by creating market outlets and developing new market strategies and products, with particular emphasis on high-value, low-volume products. Bhutan was acknowledged for what it had achieved in terms of environmental conservation, yet, with only 7.8% of Bhutan being arable land, the country needed to review its land-use plans so that its people could feed themselves. Later in the year he would be leading a campaign to make Bhutan's land use more sustainable. He thanked IFAD for the pivotal role it had played in Bhutan's rural development programme, and expressed confidence that together they would be able to make rural poverty in Bhutan a thing of the past.

139. **Mr HADDAD** (Tunisia) stressed the importance of 2005 for IFAD as the penultimate year for implementation of the 2002-2006 strategy and the second year of the Sixth Replenishment of IFAD's resources, and in view of the forthcoming review by the United Nations General Assembly of progress achieved in attaining the MDGs. He was grateful to the Fund for taking such challenges on board and for its ongoing efforts to develop its methods of work, as illustrated by the proposed programme of work and budget. He welcomed the positive outcome of the Sixth Replenishment and hoped that the target figure would be reached. He supported the draft resolution on the establishment of the Consultation on the Seventh Replenishment of IFAD's Resources.

140. The MDG of eradicating hunger and poverty represented a commitment of historic proportions on the part of the international community. To that end, rural development and agriculture should be the main focus. It was therefore essential to put in place appropriate investment mechanisms and to make flexible methods of finance available to rural inhabitants with a view to enhancing their productivity and income. In that regard, IFAD had always played a pioneering role, with significant results. That role was set to continue, and it was hoped that the achievements already accomplished would be further strengthened.

141. The challenges of poverty and hunger had been exacerbated by a series of epidemics and natural disasters which the developing countries were incapable of tackling alone, highlighting the need for global solidarity. In that connection, the initiative proposed by the President of the Republic of Tunisia to establish a global solidarity fund was highly significant and he hoped that it would soon materialize, not least because it would also help to strengthen international security and stability. At the national level, Tunisia had adopted a socio-economic model for development and was engaged in efforts to improve its development indicators, in particular by increasing GDP and reducing poverty.

Food productivity and self-sufficiency had also been improved, thereby enhancing food security. He thanked the Fund for its ongoing support to Tunisian farmers through a number of successful projects.

142. **Mr BELLO** (Nigeria) said that IFAD must take a good part of the credit for the fact that rural poverty was now occupying centre stage on the international development agenda. The developing world was committed to IFAD because of the uniqueness of its mission and mandate. It should resist the temptation to align itself with other financial institutions, as emerging operational policies appeared to suggest, and should concentrate on those areas where it had a comparative advantage, specifically rural poverty reduction.

143. The issue today was to maximize development effectiveness through results and impact. It was gratifying to see that the Field Presence Pilot Programme had finally taken off; IFAD now needed to engage more closely in discussion and interaction with development partners at the country level and so maximize its added value. It was heartening to note that the programme was expected to be expanded to cover more countries in Africa. Nigeria again cautioned that nothing should be done through the PBAS to compromise IFAD's mission and mandate; that the plight of the poorest of the rural poor should remain the organization's corporate focus; that the regional allocation formula should remain largely unaffected; that the system should not be allowed to degenerate into a punitive instrument of political blackmail; and that the procedure should be relatively simple. There was still some way to go in fine-tuning the PBAS, and Nigeria would be closely monitoring the process.

144. On the programme of work and budget, Nigeria was pleased to note the strong linkage between the programme of activities proposed and the three strategic objectives as set out in the strategic framework 2002-2006, and hoped that IFAD would indeed align its programmes and strategies for each country with that country's own poverty reduction strategies. IFAD needed to focus more on microfinancing for rural communities. Nigeria was somewhat concerned about the small number of projects proposed for the year, and hoped that the figure could be revised upwards during the year. Noting that a sizeable number of other policy instruments aimed at strengthening programme effectiveness had been produced under the Board's overall guidance, Nigeria felt that the time had come to concentrate on the implementation of those policies and to ensure that the various policy instruments matured and took root. Nigeria hoped that its suggestions would be taken into account by the Consultation on the Seventh Replenishment of IFAD's Resources.

145. **Mr NAZIER** (Indonesia) said that his country had been one of those worst affected by the tsunami of 26 December 2004, and its greatest concern now was to overcome the setbacks it had suffered in terms of human, economic and social losses and get rural development back on the track of eradicating poverty. Indonesia was fully committed to implementing emergency relief, rehabilitation and reconstruction, and prevention and mitigation measures, but to do so needed global solidarity and cooperation. Commitments of aid from the international community were most welcome, and specifically IFAD's immediate action for affected coastal areas and its new mechanism for long-term poverty eradication in tsunami-affected regions were very valuable indeed.

146. Agriculture was the backbone of Indonesia's economy, and the Government's agricultural policy hinged on increasing productivity and stabilizing markets and, to that end, broadening access by farmers and rural communities to financial resources. Indonesia's farmers had benefited from 12 IFAD-funded projects since 1980, with another two under negotiation.

147. Indonesia had already paid its first instalment to the Sixth Replenishment, and expected to pay the rest as scheduled in 2005 and 2006. It appealed to all Member States to renew their commitments to IFAD, and to the management to focus its use of the Fund's resources only on activities or programmes that directly contributed to the achievement of IFAD's statutory goals. Indonesia fully supported the partnership and collaboration between IFAD and other multilateral and bilateral institutions to work together through the International Year of Microcredit 2005 to bring financial

services to poor people. The partnership should be focused on raising awareness about the important role of microfinance in eradicating poverty and developing rural areas.

148. **Mr TRAORÉ** (Mali), expressing compassion and solidarity for the victims of the tsunami in Asia, appealed for the “silent tsunamis” suffered daily by so many, especially in Africa, not to be forgotten. Outlining the difficulties faced by agriculture and rural development in Mali, he said that a new agricultural law was being developed in his country which, along with the strategic framework for combating poverty adopted in 2002, was intended to reduce poverty from 63% of the population in 2001 to 47% in 2006 and to increase GDP by 6.7% per year. His Government was committed to devoting 10% of its entire national budget over a period of five years to the agriculture sector, as called for by the Maputo Summit in 2004, and believed that the developed countries should also devote more of their GNP to development aid and achieve the 0.7% target set 35 years before.

149. Initiatives had been taken for sustainable water and natural resources management and improved land distribution, but most Malian farmers still lacked the means to survive. Innovative IFAD-funded projects had been highly beneficial in terms of food security, income generation, productivity, market access, job creation for young people and women, health and access to microcredit. It was essential to proceed with such rural development projects and to defend the rural world against the great current danger from desert locusts, which were laying waste to parts of north and west Africa. Mali had adopted an almost military strategy against the desert locust, with the support of IFAD, WFP and FAO, but even so its agricultural development would be suffering a great deal as a result of the scourge.

150. Mali took a keen interest in the Field Presence Pilot Programme and hoped to be among the beneficiary countries in the future. The PBAS was a welcome development, but the Executive Board should closely monitor its implementation, examine its effects and report back to the Governing Council. The findings of the Independent External Evaluation should enable IFAD to fulfil its mandate more effectively.

151. **Mr IBÁÑEZ LÓPEZ-DORIGA** (Spain) pointed to the challenges in the period ahead with the forthcoming review of progress towards achieving the MDGs, the Consultation on the Seventh Replenishment of IFAD’s Resources and the results of the Independent External Evaluation. Spain was radically overhauling its development cooperation policies, with priority given to poverty reduction. Its objective was to achieve an ODA level of 0.5% of GNP by 2008 and 0.7% thereafter. Those targets would be achieved by better planning and coordination, reforms to streamline administrative procedures and improved evaluation. Spain would be putting particular emphasis on improving the delivery of public services to the poor. In general terms, about 20% of Spain’s ODA was to be directed towards the basic social sectors. In geographical terms, 20% of Spain’s ODA went to the least developed countries. The struggle against poverty and hunger would be a prominent feature of the Ibero-American Summit of Heads of State and Government to be held in Salamanca, Spain, in October 2005.

152. Spain would be going into the negotiations for the Consultation on the Seventh Replenishment with an open and constructive mind, but firm in the belief that there were certain fundamental requirements: action against hunger had to be seen in a broader context, involving conflict prevention and resolution so as to ensure an enabling environment; action against poverty had to be taken wherever such poverty existed, even in low- and middle-income countries where there were pockets of poverty that were harder to detect; and IFAD should improve its mechanisms for planning, managing and evaluating its own actions. In terms of planning, IFAD should adopt modern human resource management policies, for example reducing the proportion of short-term contracts to permanent contracts, and improve its knowledge administration systems and systems for pooling lessons learned. In terms of management, IFAD had to maintain a healthy financial status and prudent investment policy and find a mechanism to establish a satisfactory presence in the field so as to

enhance its capacity to influence national development strategies. Member States should also make good on their pledges to the Sixth Replenishment. Finally, IFAD must further strengthen the independence of its Office of Evaluation, providing it with the material and human resources it needed.

PANEL DISCUSSION – “ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS: RURAL INVESTMENT AND ENABLING POLICY” (document GC 28/INF.9)

153. **The CHAIR** introduced the panel discussion by drawing delegates’ attention to the discussion paper entitled “Achieving the Millennium Development Goals: Rural Investment and Enabling Policy”. She then introduced the guests who had agreed to share their views and expertise with the Council. Ms Odile Renaud-Basso, Chief of European and International Affairs of the Treasury Department of the French Ministry of Economy, Finance and Industry and Governor of IFAD for France, had agreed to act as moderator. Mr Rene C. Villa was Secretary at the Department of Land Reform of the Philippines and had chaired that morning’s round-table discussion on “Achieving the Millennium Development Goal of Halving Poverty by 2015: Sharing Experiences between Asia and the Pacific and Western and Central Africa”. Mr Alioune Sall was Executive Director of the African Futures Institute of South Africa and had likewise participated in that round table. Mr Guilherme Cassel was Vice-Minister of Agrarian Development of Brazil and had been a discussant at the round-table discussion on “National Strategies for Rural Poverty Reduction: A Comparison of Experiences”. Mr Ndiogou Fall was President of the Network of Peasant Organizations and Producers in West Africa (ROPPA).

154. **Ms RENAUD-BASSO** (Moderator) said she was looking forward to hearing from people who were more specialized than herself in agricultural matters, for there was a clear and very close link between development, the MDGs and agricultural development.

155. **Mr BÂGE** (President of IFAD) said that the starting point for the discussion was the centrality of the reduction of rural poverty for achieving the MDGs and how best to facilitate and bring about the right type of transformation of rural lives and livelihoods which that required. The discussion paper contained a number of basic ideas. One was the need to increase investment in agriculture. Few countries in history had achieved broad-based economic growth without agricultural rural growth preceding it or at least accompanying it. Agricultural growth played a critical role in poverty reduction, and it was precisely when the incidence of poverty was highest that agricultural development had the greatest effect on overall poverty reduction. Public support for agriculture – whether from governments or from donors – had declined considerably. ODA for agriculture had been halved since 1988. There were, however, signs of a renewed interest in funding agriculture, one example being the 10% of national budgets target to have emerged from the Maputo Summit.

156. Another of the basic ideas in the discussion paper was that that was not enough to ensure increasing resources: not all investments in agriculture in rural areas were pro-poor, and if poverty reduction was to be a focus, the manner in which the funds were spent was very important. As a second step there had to be the implementation of enabling policies at all levels – an issue that had become the focus of discussion at international and national levels. The third step was to look at operational procedures: experience showed that in most areas local bottom-up processes and local institutions managed by or accountable to rural people were essential in order to achieve sustainability in poverty reduction and economic growth. The building of economic, human and social capital and support for local processes were key elements in most poverty reduction strategies.

157. Clearly, there was no one single solution for ensuring that investment in rural areas and public policies had a strong poverty reduction effect. There were no blueprints. There were national experiences – some very successful ones – from which other countries needed to learn, but there were many ways of achieving the MDGs.

Moderator and Panellists



Panel Moderator: Ms Odile Renaud-Basso, Chief of European and International Affairs of the Treasury Department of the French Ministry of Economy, Finance and Industry and Governor of IFAD for France



The Honourable Rene C. Villa,
Secretary at the Department of Land Reform of
the Republic of the Philippines



Mr Guilherme Cassel,
Vice-Minister of Agrarian Development of
the Federative Republic of Brazil



Dr Alioune Sall,
Director of the African Futures Institute of
South Africa



Mr Ndiogou Fall,
President of the Network of Peasant Organizations and
Producers in West Africa (ROPPA)

158. **Mr SALL** said that the round-table discussion comparing experiences between Asia and Africa had highlighted a number of salient points. One was that, as indeed in Asia, not all countries in Africa had the resources needed to attain the MDGs by 2015. It was therefore essential to take into account such key variables as the institutions fundamental to the achievement of those goals. It was also a question of choosing the right economic policies at the right time in order to improve not only the macroeconomic framework but also access to the social and productive services and institutions that empowered the people to take part in the development process. That process should be correctly understood and used, as should the available social and human capital. Agriculture was central to the prime objective of rural poverty reduction. Substantial long-term investment was also a key variable for attainment of the MDGs.

159. The efforts to attain those goals should focus on the central issue of rural poverty reduction, even beyond the year 2015; by that time, half of Africa's population would inhabit the rural environment, meaning that there would be no rural exodus. A number of responses and recommendations had been put forward to reduce rural poverty, and there were encouraging signs of a move in the right direction. But the major challenge was to sustain the successes already achieved. On that score, the first step was to dispense with the idea that the situation in Africa was immutable and that some African countries would never achieve the MDGs. On the contrary, there was no reason why African countries, with the African Union, should not follow the Asian example of inventing their own model of development, drawing on their own resources and traditions. The second step was to ensure that all stakeholders heard the message and were convinced by it so as to be inspired to take action. The third step involved the need for multi-forum action by farmers' associations and organizations in particular, as well as by governments and the private sector. IFAD would be the privileged partner in transforming Africa's rural environment; in addition to its traditional responsibility of financing, it could play a substantial lobbying role, particularly in view of its knowledge of the realities on the ground. Without an awareness of those realities, no change would occur.

160. **Ms RENAUD-BASSO** (Moderator) said that it was interesting to hear both Asian and African views on the differences between the two continents. It was vital that Africa should not be condemned to its current state. Indeed, belief in the potential for change was essential to attainment of the MDGs. Use of IFAD's experience in the rural environment was also an extremely important element. In addition, notwithstanding the obvious need for better resources and financing, it was essential to consider the priority of the rural environment and agriculture. In that connection, she raised the question of whether large investments were the preferred order of the day or whether more trust should be placed in the role to be played by the people locally. Moreover, how could such resources be mobilized and what were the priorities as to their use?

161. **Mr VILLA** thanked IFAD for its assistance to his country and cited examples of the resulting impact on the Philippine poverty reduction programme. Important points in any discussion on halving poverty by 2015 included that of equitable agricultural growth, with no sector left out. Emphasis on agricultural growth per se – increased productivity for example – did not necessarily mean a focus on the poor. In that connection, land reform was a vital key, as land ownership provided an incentive to greater productivity. It was also important to emphasize community institution-building and capacity-building with a view to compounding poverty reduction efforts. Equally important was the need to recognize that the poor were not a homogeneous group. The problems of the chronic poor and the transient poor, for instance, required the adoption of different policy approaches. Sustainable growth was also essential to poverty reduction, as was the maintenance of peace. Moreover, the focus should be shifted from poverty alleviation to poverty reduction and that approach should be pursued from the bottom up. The Philippines, for example, had decentralized in order to promote equitable growth country-wide by creating greater economic opportunities and thereby arresting rural-to-urban migration. Any poverty reduction approach should also be country-specific, and resource transfer

should be coupled with appropriate policies that were consistent with the MDGs. Lastly, the budget for agriculture, including ODA, should be increased.

162. **Mr CASSEL** said that the round-table discussions, and notably the experience of Rwanda, had shown how fundamentally important it was to concentrate on organization and public policies and involve the very active participation of the people. The representative of Tunisia had emphasized the need for a long-term view when it came to policies and investments in health, education and human resources, which were fundamental in the struggle against poverty.

163. Everyone agreed on the crucial need to increase investment in rural poverty reduction, but what was equally vital was the quality of such investment. For that, it was necessary, as experience in Brazil had shown, not only to have the political commitment, but to have a public policy that included participation by all the people in assessing and evaluating the policy and implementing it. Full institutional participation of all civil society from the outset was of crucial importance in making the policies truly effective and efficient. No country nowadays could simply decide to implement packages of policies imported from abroad and expect to be successful. There had to be continuous contact between governments and people's organizations in the design, implementation and evaluation of policies.

164. Another point was that there had to be a somewhat different understanding of what was known as rural poverty. In Brazil, the economic capacity of family agriculture was quite impressive; the sector contributed about 10.1% of Brazil's GNP, and with better technical assistance, better marketing and better investments even more could be achieved. In Brazil, family agriculture had grown significantly more than all other forms of agriculture, and public policies for that sector must never be understood as merely compensation or social assistance; they were fully part of economic development and had to be understood as such.

165. With the right policies helping rural people to increase their incomes and hence emerge from poverty, better and cheaper food could be produced for everyone. A great deal could be achieved if everyone participated and if the policies were regarded as being part of economic development. The quality of investments in the rural environment could be improved.

166. **Mr FALL** said that if present trends continued Africa would not achieve the MDGs. There were a number of reasons. The sectors where the poorest people worked were in decline or even crisis. Agriculture was a primary sector in west and central Africa and engaged the poorest people, yet in the previous five years it had lost more than 100 000 jobs; for small craftsmen making small items of equipment for the agriculture sector, the situation had been even worse. That was due to environmental problems but also to mistaken and inconsistent policies which had been on the wrong track from the outset both at national and at international levels. Most countries did not have policies that could really increase the incomes of the poor. It was of prime importance that policies be regarded as income-enhancing exercises and that they be well coordinated among themselves and consistent both within the country and with international policies.

167. There had to be a common understanding why present policies were not working. While the rural poor represented between 60% and 70% of developing countries' populations, budgets allocated to the agricultural sector and ancillary services amounted to only 2% or 2.5% of national budgets. That was not sufficient to enable those segments of the population to engage in the activities that were their livelihood, and it weakened any action against poverty and for increased income.

168. There was still no definition of the true mechanisms for participation. There had to be a move from representative to participatory democracy, but there were a number of problems on the way, one of them being governments' loss of sovereignty in defining their own policies. They had the capacity and even the will, but the conditions that were applied by certain institutions in certain situations

would erode the sovereignty of deciding what policies could be applied. Good governance would ensure that decisions were taken that were effective and aimed in the right direction, but the evidence was that much of the decision-making power was moving from governments to international institutions that had very rigid rules and imposed hurdles which the governments could not overcome.

169. The time had come to look at possible solutions. There was no one single model. All countries could not follow the same rules and laws. They had to have more control over their own markets. One could not ask poor people to produce if there was no market for them to produce for. Developing countries were constantly being invited to participate in the world market, but they were not familiar with that market. Their products were of value to them in their own markets, and to have efficient access to those markets they needed proper protective measures so that their markets were viable and their producers solvent. What they needed was a critical mass of consumers to provide for. Another part of the solution was the need to have confidence in the poor, to trust them to know what they were doing, to work effectively with them and let them pursue their own management techniques and methods which, with the proper back-up, could be very effective and efficient. All too often methods that were used elsewhere were imposed on them, and that simply did not work.

170. **Mr GUEYE** (Senegal) fully shared the views of the previous speaker. The fight against poverty, however, demanded the introduction of legislation designed to protect farmers against the current untenable situation in which their produce was frequently in direct market competition with imported produce. Microfinancing and microcredit were other important elements in the fight against poverty. Of the two, he favoured microfinancing: people tended not to trust credit, whereas microfinancing by institutions was viewed in a much more positive light. In that connection, he suggested that a PBAS would produce better results in advancing the fight against poverty. It would generate healthy competition and stimulate enthusiasm among groups and individuals who were seeking to obtain microfinancing, thereby creating a more constructive basis for their activities.

171. **Mr PARAINA** (Madagascar), continuing the theme touched upon by previous speakers, said that when it came to economic policy there was no sovereignty, particularly in the case of African countries. Apparently, however, there were two ways of treating the different continents. At the level of the Bretton Woods institutions, the monetarist school of thought prevailed. As a result, the invisible hand was left to act and State intervention was ruled out. His own country was a case in point; following its structural adjustment, the donors had immediately proposed the dismantling of the structures which had previously enabled it to be a major producer and exporter of rice. In other words, the invisible hand was at work. By contrast, State intervention always played a part, upstream or downstream of production, in many of the countries which were now large producers of rice. How was that to be accounted for? Madagascar had come to be in its current situation because it lacked sovereignty, especially at the level of policy formulation and development. The MDGs would not be achieved at the current pace. He therefore appealed to organizations such as FAO and IFAD to take up the cause of African countries which were subject to a different set of standards and which were in that same unfortunate situation. Reliance on the private sector was also a must. It was therefore essential to establish an environment favourable to that sector.

172. **Ms RENAUD-BASSO** (Moderator) said that the discussion was moving beyond the direct mandate of IFAD into the area of commercial negotiations and customs tariffs.

173. **Mr HOFMANN** (Germany) said that he supported the general view expressed in the discussion paper on the current topic. He felt, however, that the simultaneous emphasis on the rural poor and on the importance of the process of poverty reduction strategy papers (PRSPs) was somewhat contradictory. Largely geared to supporting the latter process, donors were now being requested by the recipient countries to move more towards a form of budget support. The question therefore arose of how equitable sharing could be pursued in situations where ministries of finance had the upper hand and where power politics constituted the basis for ensuring that agriculture

received the support it needed. In that context, the role of urban dwellers – i.e. urban voters – would come into play. Empowerment in rural areas was essential in order to prompt an attitude of rebellion among farmers in defence of their interests that would prompt keener donor interest and engagement in the sectors concerned.

174. As highlighted in the discussion paper, the emphasis placed by donors on health and education was also slightly problematic. Education was indeed a very pertinent and important issue, for it was through education that the rural poor would acquire the knowledge and capabilities needed to tackle the issues which concerned them. The tremendous interest in achieving literacy and fighting such diseases as HIV/AIDS, malaria and tuberculosis should not be underestimated. Ideally, however, it should be possible to reconcile health, education and the focus on rural issues. Moreover, any demand for greater attention to agricultural interests should surface from within a country, rather than from donors.

175. **Ms RENAUD-BASSO** (Moderator) said that, despite varying priorities from country to country, it should be possible to reconcile the different aspects mentioned insofar as poverty alleviation was based on education, financing and so on.

176. **Mr NAZIER** (Indonesia) welcomed the emphasis placed during the discussion on the difficulties generated in the agricultural sector by the market situation, which was a genuine problem in the developing countries. A country might have a grant or loan, for example, and yet be tied by the international trade regimes. Concerted efforts should be made to finalize the WTO negotiations during 2005 and the developing countries should join the Group of 20 (G-20) under the leadership of India and Brazil, as well as the Group of 33 (G-33), with the aim of improving international market conditions, the challenge being to secure a fairer international trade regime. In order to achieve the MDGs, heavy capital investment was needed in order to develop rural sector infrastructures. Such capital should be sourced ideally from the developing countries themselves.

177. **Mr BÅGE** (President of IFAD) said he wished to clarify the issue of health and education. It was quite clear that there would be no development without either, but at the same time they did not in themselves provide the full answer. In areas where schools and clinics were established, for example, it was necessary to generate revenue to pay for their sustainability; sometimes built with development assistance funds, their continued operation was dependent on local funds that, without a growing economy often based on agriculture, were non-existent. Ultimately, it was a matter of adopting measures designed to maintain a balance between avoiding further poverty – for instance by keeping import taxes low to contain urban poverty – and guaranteeing farmers a fair return on their production. At the national level, that balance was lacking because rural producers had no influence in the budget prioritization and PRSP processes. The empowerment of the rural poor had been so strongly emphasized during the discussion for that very reason. It was essential to organize their participation around the common interests of smallholder farmers in order to ensure that they had a relevant influence in policy-making and priority-setting. One important conclusion to be drawn from the discussion was therefore that the essential balance among different interests in the developing countries was lacking because the poor were weak, vulnerable and insufficiently organized to fend for their interests.

178. **Ms RENAUD-BASSO** (Moderator) said that the President's comments were interesting, as it had appeared from the discussion that a good deal of progress had been achieved in the area of conditionality and that the Bretton Woods institutions had also made efforts to improve empowerment in terms of policy implementation. Concerns were perhaps not relayed to governments from the grass roots, in which case internal processes could be important. Finance ministers also had a role to play in the matter.

179. **Mr CASSEL**, taking up a point raised by Senegal, said that commercial exports were an important tool for tackling rural poverty. After much work and the significant participation of IFAD in a project within the Southern Cone Common Market (MERCOSUR) framework, it had been possible to make family agriculture a specific component of agricultural reform, and it appeared to be working satisfactorily. Together with IFAD, MERCOSUR was carrying out an evaluation of the production and capacity of family agriculture in all the member countries, and on the basis of that evaluation it would be possible to design policies to protect family farmers and measures to provide for the free management of family agriculture within MERCOSUR. Another experience pertaining to commerce that might be shared was the food acquisition programme that had been launched in Brazil. Under the programme, government procurement, which was a permanent market, took the form of central bulk purchasing of foodstuffs for hospitals, schools and the like from family farmers, thereby paying lower prices and buying better quality produce. In its first year of operation, 293 million reais had been invested in the programme, which had involved 145 000 family farmers. It was a process that could definitely be extended to other countries. Special legislation was needed to enable governments to purchase directly from family farmers, but many of their difficulties were overcome as a result. There was a third concept that needed to be emphasized: the landless rural poor did not have access to technical assistance or credit, so adequate public policies were needed to include them more in society and turn them, to some extent, into economic agents.

180. **Mr NOURI-NAEENI** (Iran, Islamic Republic of) drew attention to the paradox of, on the one hand, the argument that competition, free markets and invisible hands would solve the problem of economic growth and, on the other, the belief, which lay behind the creation of IFAD, that in some countries that did not work, and there was a need for the visible hand of IFAD and governments. Comparing the two halves of the paradox, IFAD, whose loans amounted to some USD 500 million per year and had to be repaid by governments, would be investing about USD 5 billion between now and 2015, the target date for halving world hunger and poverty, while in the same period, in the other camp, only USD 3 billion would be paid as subsidies. He had not heard from the panel discussion any solution to the paradox of preaching competition and free markets, on the one hand, while IFAD came to help with capacity-building and other policies on the other. There had been general references in the discussion to appropriate policies, public policies and quality of investment, yet hunger and poverty was rising, not falling. Was there any hope? And how was the paradox to be resolved?

181. **Mr HEINEN** (Luxembourg) said that one of the panellists had explained that one reason why agriculture had suffered so much in some African countries was that there was a loss of sovereignty because of the conditionality that was attached to the programmes of the Bretton Woods institutions. He wondered if specific examples could be given of how that loss of sovereignty affected the agricultural sector, because some of those present could convey such concerns to the Bretton Woods institutions.

182. **Mr FALL** said that the examples that illustrated the loss of sovereignty might be somewhat disturbing. In most African countries agricultural aid was not always effective. The countries had PRSPs and had taken certain measures as a result but they had not been taken for the poor alone. In terms of health care, for example, the rural poor in Burkina Faso did not attend a newly built hospital because they could not afford to pay for the care provided in them. The Bretton Woods institutions themselves, which implemented the mechanisms and provided the guidelines, had stated that the countries of Africa needed to emphasize the social, health and education areas, but agriculture was said to be of lesser importance.

183. An agricultural policy had been drawn up and implemented throughout the African Union, and as part of that policy a tax had been introduced to protect the agricultural sector in which the rural poor were active, but then the European Commission said that taxes above EUR 50 per tonne of wheat should not be imposed. That in itself was paradoxical, but even more paradoxical was the fact that processed wheat was taxed at a much higher price, namely EUR 160 per tonne. That was but one

example. Finally, the European Commission had said that negotiations needed to be speeded up in the area of poverty reduction strategies, yet the Commission had no sectoral policy. The Europeans had proposed that the Africans needed to liberalize 80% of their agricultural produce, but of course Africa could not compete with European agriculture. Such conditionalities meant a loss of sovereignty and hence an inability to combat poverty in such circumstances.

184. **Mr DA ROCHA MIRANDA** (Brazil) raised two points which had not yet been addressed in the panel discussion. When it came to domestic policies, no one had spoken about the importance of technical advances in the field of agriculture, both in terms of agricultural equipment specifically needed for family agriculture and in terms of technical advances in seed production, which could increase the productivity of family cropping. A great deal of research had been done in Brazil that had promoted agribusiness and family agriculture, notably on microfinancing, on growth policies for the domestic market based on State purchase policies and income transfer policies, and on technical progress. If there was improved productivity of rice, then rice prices could become competitive and domestically produced rice could compete against imports. The second point concerned IFAD: what IFAD needed was new financial facilities. IFAD could be more daring and devise new financial instruments so as to prevail upon countries' finance ministers, by stealth as it were. The World Bank now had a new instrument of that kind called the sector-wide approach, whereby approved projects were itemized within national budgets.

185. **Ms RENAUD-BASSO** (Moderator) summed up some of the points raised in what had been a wide-ranging debate: the importance of the focus on the rural sector in poverty reduction efforts and in achieving the MDGs, IFAD's role, the need for financial support mechanisms and other instruments, the role to be played by the rural sector itself, a policy of communication to attract donors, the issues of ownership and sovereignty, the question of conditionalities, access to markets and matters related to the trade negotiations.

186. **Mr BÅGE** (President of IFAD), responding to the question whether there was any hope, said that the holding of the panel and round-table discussions themselves meant that there was hope. There was also the hope that derived from experience. Hundreds of millions of the rural poor had been seen to have worked themselves out of poverty, particularly in east, south-east and south Asia. Rural poverty had not yet been consigned to the history books, but it was simply a matter of time. For the process to be speeded up, there had to be more resources and the right policies. That was why it was necessary to discuss with one another and to learn from one another, particularly from the very positive experience of Asia.

187. There was also a need for a just international trading system. IFAD was not part of the global trade negotiations but it had a role to play in getting policies right at the national level – whether on the impact of export subsidies or on other issues – and then to influence policy at the international level and to mobilize resources. IFAD had to pursue the two-track approach of more resources and better policy, to which should be added advocacy. To give voice to the voiceless and to promote farmers' organizations and individual smallholders' groups was one important avenue to walk, among many others.

188. **The meeting rose at 13.15 hours.**

(iv) Summary Record of the Fourth Meeting of the Twenty-Eighth Session held on Thursday, 17 February 2005, at 15.00 hours

CHAIRPERSON: NOBUKO MATSUBARA (JAPAN)

	Paragraphs
General Statements (agenda item 5, continued)	
– Democratic People’s Republic of Korea	190 - 191
– Senegal	192 - 194
– Switzerland	195 - 197
– Bangladesh	198 - 200
– Germany	201 - 202
– Malaysia	203 - 205
– Angola	206 - 208
– Egypt	209
– Austria	210 - 212
– Mongolia	213 - 214
– Libyan Arab Jamahiriya	215
– Thailand	216
Progress Report on Implementation of the Performance-Based Allocation System (agenda item 12)	217 - 219
Progress Report on the Process Re-Engineering Programme (Strategic Change Programme (agenda item 13)	220
Report on the Lessons Learned by the International Land Coalition (agenda item 14)	221 - 222
Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification (agenda item 15)	223 - 227
Other Business (agenda item 16)	
Approval of Disclosure of Documents	228 - 229
General Statements (agenda item 5, continued)	
– Ethiopia	230 - 231
– Maldives	232 - 234
– Guinea	235 - 236
– Sri Lanka	237 - 238
– United Kingdom of Great Britain and Northern Ireland	239 - 241
Summary of the Panel Discussion on the Theme: “Achieving the Millennium Development Goals: Rural Investment and Enabling Policy”	242
Closure of the Session	243 - 244

189. **The meeting was called to order at 15.25 hours.**

GENERAL STATEMENTS (agenda item 5, continued)

190. **Ms KIM** (Democratic People's Republic of Korea) said that IFAD had both increased the awareness of Member States of the need for poverty reduction in rural areas and had itself done much work in that area, notably by concentrating its assistance on priority sectors. Every Member State must play a more substantial and responsible role in that effort. In her own country great advances had been made in potato farming and double-cropping, with the seed revolution regarded as the key to agricultural development. The use of farmland was being standardized countrywide, and agricultural management techniques were being constantly improved. Her delegation thanked IFAD and other international agencies and the donor countries for their assistance in the agricultural sector. However, there was still a wide gulf between rich and poor countries, owing largely to globalization and the selfish pursuit of self-interest, which obstructed the world effort to alleviate poverty.

191. If the MDGs were to be attained, every Member State must devise a proper agricultural policy, including increased government investment and a closer focus on augmenting farm incomes. Agricultural productivity must be raised worldwide and an enabling social and economic environment created through the establishment of fair economic relations and international trade. Agricultural subsidies by the developed countries should be reduced or discontinued. IFAD and its Member States should strengthen their cooperation and take more account of the specific conditions in each recipient country. Her Government would make every effort to develop its cooperation with IFAD and supported the Fund's administrative budget and work programme for 2005.

192. **Mr GUEYE** (Senegal) said that his delegation offered its sympathy to all victims of natural disasters throughout the world and to the victims of war, including the peoples of the Middle East. Senegal had always tried to increase its support for such victims and for the world's poor. It had organized, for example, a regional conference on the desert locust and the Dakar forum on agriculture; both meetings had led to concrete programmes related to the mandate of IFAD, which was urged to support them. The Fund was to be commended for enabling farmers' organizations to participate in the Governing Council.

193. The current political dialogue was opening up access to markets and facilitating the attainment of the MDGs. In that connection, the President of Senegal believed that poverty reduction required the establishment of institutions and democratic mechanisms at all levels of development activity. Senegal had enacted legislation setting out guidelines for agricultural development and stressing, inter alia, the need for farmers to be involved in the management of agricultural programmes. That process was being consolidated and was producing excellent results as the capacity to adapt was developed and projects were consolidated within the IFAD country strategic opportunities paper (COSOP) for Senegal. But IFAD must monitor the process closely in conjunction with the Government. The PBAS had been widely debated in Senegal with a view to determining the best modalities of implementation and evaluation.

194. Senegal's cooperation with IFAD had secured progress in the fight against poverty, but the achievements still needed to be consolidated. The Fund was contributing to the consolidation effort by funding new regional programmes for West Africa. His Government was ready to develop that new regional approach with a view to the Fund's closer involvement in the region.

195. **Mr CHAPPATTE** (Switzerland) said that, at the threshold of the Seventh Replenishment exercise, IFAD must take up the challenges of the next three years, and the international community must make every effort to achieve the MDGs, which were far from attainment in a number of African countries. The Independent External Evaluation showed that the mandated emphasis on the poor was not always visible: IFAD must make a special effort in that respect, for the clearer it was about its

specific niche, the more it would complement the work of other agencies; its key contribution lay in innovation. Performance could still be improved in terms of sustainability and impact: half of the IFAD-supported projects came to halt once all the funds had been disbursed. What was needed was a quality-assurance mechanism managed by a mix of IFAD staff and outside experts; and operational personnel should be given more responsibility and held accountable for results. Restrictions on direct supervision by IFAD should also be removed.

196. Switzerland actively supported the Field Presence Pilot Programme and agreed with the Independent External Evaluation that the Fund should move further towards decentralization, for poverty reduction policies were formulated and coordinated at the national level. IFAD must be involved in those processes in order to transform its advocacy for the poor into effective strategies. There should also be increased coordination with governments and with other donors, and IFAD should station programme directors in countries having a critical mass of IFAD-supported projects or a particularly innovative programme or one operating in a difficult environment. IFAD had made a great effort by means of training seminars to help the many low-income countries suffering shortages of qualified human resources, but often without much impact. Capacity-building should be focused on improving the performance of ongoing projects. There too, cooperation between the Fund and all the governments and other actors was required.

197. The new management plan for all IFAD activities recommended by the evaluation report should go much further than previous plans. The main purpose was to free the President to occupy himself with longer-term strategy and policy matters. Since IFAD was often not very well known by other agencies or by the governments which it supported, it should disseminate more information about its work; a first step would be for the management to explain what it was doing by way of producing an information strategy, as promised in the Executive Board, and simple guidelines for carrying out a specific information agenda.

198. **Mr CHOWDHURY** (Bangladesh) said that poorer people had suffered most from the tsunami disaster and could benefit most from the innovative approach of IFAD. Poverty operated on many fronts, and the fight against poverty had to be fought on all of them. IFAD was a willing partner in the efforts to help small farmers and improve food security. Its approach had worked well in Bangladesh and other least developed countries (LDCs). His Government had a vision of a poverty-free Bangladesh based on equality and social justice. In a spirit of self-reliance it mobilized most of its development financing from its own resources: only 10% was provided by external assistance. Bangladesh had made good progress towards attainment of the MDGs, but aggregate poverty rates remained very high, and extreme poverty persisted in some rural areas.

199. The Government regarded the rural economy as the driving force of the growth strategy for the poor and made substantial budgetary allocations to rural development and rural institution-building, as well as taking aggressive action in other social and economic sectors. But the task was so vast that even greater investments were required. The fact was that the domestic resources of poor countries were insufficient to permit attainment of the MDGs; the donor community was therefore urged to increase its contributions to poor countries and to the agencies mandated to fight poverty and hunger, in particular to IFAD in the context of the Seventh Replenishment.

200. IFAD had always been a trusted partner of Bangladesh and had given significant support to its rural development effort. Through its support of 114 countries it had helped many people to raise their living standards. His delegation looked forward to cooperating closely with the Fund in taking up the challenges of the future in the fight against rural poverty.

201. **Mr HOFMANN** (Germany) said that Germany's development policy was focused on the MDGs and built on such organizations as IFAD, which had considerable financial leverage in securing cofinancing from German development agencies and counterpart contributions from

recipient countries. Although many of them had not been completed, the extensive reforms introduced since the Sixth Replenishment exercise had done much to equip IFAD to correct past deficiencies and tackle the new challenges. But even greater efforts were needed. IFAD should therefore remain a specialized agency but increase its cooperation with other development organizations. It should also make itself more visible by taking a more active part in donor meetings at the country level, with a view to a coherent programme-based approach with tailor-made country strategies under which IFAD should join forces with other agencies when its own resources were stretched.

202. The Fund's management could count on Germany's support in making necessary changes, even if they were painful for some parties. Attainment of the MDGs required a strong effort from IFAD, but it must not be overburdened. The IFAD contribution would be determined by the forthcoming replenishment, which in turn would depend on how wholeheartedly the Fund embraced the required reforms.

203. **Ms ZACHARIAH** (Malaysia), welcoming the admission of the Republic of Kiribati to membership in IFAD, said that the number of developing countries joining the Fund demonstrated the usefulness of its role.

204. Malaysia had not been as badly affected by the tsunami as other countries of the region and it was contributing to the reconstruction efforts. It commended IFAD on its tsunami-relief action plan and stressed that long-term recovery programmes would be needed.

205. In accordance with the Millennium Declaration, Malaysia's development policy was based on the premise that growth was not an end in itself and that national unity and social harmony were the main purposes of development. It had long since made poverty eradication a key component of development policy, with a strong emphasis on agricultural and rural development, and it had already achieved many of the MDGs, demonstrating that they were not unrealistic. Malaysia's experience could provide useful lessons for other developing countries, which needed both to engage the support of the developed countries and to increase cooperation among themselves. But it must be remembered that one solution might not fit all countries. Malaysia had not used the Fund's services but was happy to work with it in its role of catalyst and initiator of innovative projects. At the recent launch of the Government's MDG report, the Prime Minister had emphasized the need for self-reliance and a joint commitment to the Declaration's fundamental values.

206. **Mr LUTUCUTA** (Angola) said that one of the challenges facing the developing countries, especially the African ones, was to feed their undernourished and growing populations, but in the majority of countries the situation was getting worse rather than better. Much would depend on the initiatives taken by the Member States themselves and the priority they gave to agriculture, education and health, but also on the support of the international community, in accordance with the recommendations of the World Food Summit and the Millennium Declaration. Angola was indeed grateful to IFAD and the international community for their assistance, and commended the response to the tsunami disaster by the international community, including IFAD.

207. Where agriculture was concerned, the Angolan Government, having concentrated in the first three years of peace on resettlement of displaced persons and construction of infrastructure, was now introducing policies to stimulate production. However, there was still a deficit of 46% of the total cereal needs, although cassava production was slightly higher than demand.

208. The Fund's cautious investment policy in recent years had been sensible and had produced good results. It was to be hoped that the outcome of the negotiations for the Seventh Replenishment would enable the number of IFAD-funded projects to be increased. The Independent External Evaluation could provide pointers to future policies. It was important for the purposes of information and participation for the Fund's management and the Member States to maintain a policy dialogue,

not just with the Governing Council but with all the interested parties, including non-member countries. He suggested that a feasibility study might be undertaken on the latter's access to documentation and participation in Governing Council sessions as observers. Angola continued to encourage IFAD to have a permanent presence in the field when the volume of projects so required.

209. **Mr ALLEITHY** (Egypt) said that IFAD had joined in the concerted international efforts aimed at attaining the MDGs, in particular that of halving poverty and hunger by 2015. Over the previous 26 years, the Fund had supported numerous programmes designed to reduce poverty, achieve food security and conserve biodiversity and natural resources. Nevertheless, more support was still needed in the field of technology transfer, particularly in the rural areas of Africa, which were characterized by poverty, hunger, lack of resources and poor infrastructure. In 2004, of the nine IFAD-funded projects in Egypt, four had been completed, a further four were still ongoing and another was at the launching stage. The President of IFAD had himself witnessed the impact of the Fund's activities on the lives of poor families during his visits to Egypt in 2002 and 2005. Indeed, the Egyptian efforts to increase productivity and develop agriculture provided an example to be emulated in regions which shared similar characteristics with Egypt.

210. **Mr JÄGER** (Austria) said that the deadline for halving the number of people living in poverty was now only 10 years away, but the ambitious MDGs were still far from being achieved, despite the international commitment to that objective. Given the limited number of projects that IFAD could fund in any one country, it was essential that its operations should be very relevant to the beneficiaries and that its investments were in line with national development priorities. Its operational niche also had to be evidenced in its work, which required a well-organized institution with a highly analytical capacity. In order to demonstrate the added value of its activities, IFAD's projects similarly needed to be innovative, as well as clearly targeted, with a measurable impact on poverty. In addition, project outcomes should be followed up and documented for future reference and improvement. The comparative advantage of the Fund's work should translate into visible results – decrease in the number of poor, increase in the food supply and improvement in living conditions.

211. He encouraged the Fund to continue its efforts as a knowledge institution, catalyst and innovator that systematically and selectively sought partnerships and alliances in order to promote innovation and maximize potential value in pursuit of its objectives, as embedded in the MDGs. The Fund should also contribute to the creation of enabling political and economic frameworks in its operational regions by endeavouring to engage in policy dialogue with national and international stakeholders, followed by appropriate coordination and harmonization of its activities.

212. It was vital for IFAD to play a more visible and constructive part in national PRSP processes, and in that context the Field Presence Pilot Programme was a good investment, despite the higher administrative costs involved. He looked forward to the findings of the Independent External Evaluation as a means of providing objective guidance for the Fund's future work. He supported the approved annual financing level for its programme of work for 2005. In targeting its lending programmes, the Fund should accord decisive weight to a country's performance and governance with a view to making best use of the scarce funds available. In conclusion, he welcomed the Republic of Kiribati as a new Member State of IFAD.

213. **Mr TERBISHDAGVA** (Mongolia) said that the Mongolian agricultural sector, which accounted for a major part of the country's economic production, was dominated by private ownership as a consequence of the economic and privatization policy aimed at ensuring the transition to a market economy. New legislation on land ownership was now being implemented and the leasing of arable land was widespread. Livestock production had increased, contributing to the 10% GDP growth rate achieved in 2003. The food and agriculture sector was lagging behind, however, and would benefit from the introduction of intensified production management, based on modern scientific and technological advances, that would strengthen its capacity to withstand potentially

adverse natural factors. The sector was an important component of the Government's new four-year action plan, which incorporated a raft of measures designed to increase employment and reduce poverty. Mongolia was also working to prevent sudden climatic changes and lessen the impact of any unexpected environmental disasters.

214. He outlined the various rural poverty reduction projects implemented in Mongolia in successful cooperation with IFAD since 1995, which had improved food security and family income and taught valuable lessons for future programme development and implementation. He expressed full support for the Fund's new management policy, which would undoubtedly enhance the efficiency and final outcome of its new rural poverty reduction programme for Mongolia.

215. **Mr ESSA** (Libyan Arab Jamahiriya) said that his country was continuing, as ever, to strive for the achievement of IFAD's objectives, even though its agricultural development projects in particular had been greatly hampered by the unjust sanctions imposed on it in the past. The current session's agenda addressed many of the issues central to IFAD's objectives and programmes, and in that connection the Fund should play an even greater role in eliminating rural poverty by establishing new programmes in the developing countries. Efforts should be stepped up to tackle the problem of locusts in parts of Africa in order to preclude any adverse effect on development. Desertification was another serious problem which the Global Mechanism of the United Nations Convention to Combat Desertification housed in IFAD had taken effective measures to combat, including the transfer of technology. Africa should be helped to exploit its diverse wealth of agricultural and water resources in order to reduce the suffering caused by poverty, desertification and drought. In that connection, the important role played by IFAD was much appreciated.

216. **Mr KHATIKARN** (Thailand) said that his country was firmly committed to the MDG targets and continued to work for the establishment of political and social conditions that would enable the poor to overcome poverty. Only 10 years remained, however, in which to achieve the goal of halving the number of people living in poverty. He strongly believed in IFAD's continuing ability to pursue its role of fighting poverty and assisting developing countries in achieving the MDGs.

PROGRESS REPORT ON IMPLEMENTATION OF THE PERFORMANCE-BASED ALLOCATION SYSTEM (agenda item 12) (document GC 28/L.9)

217. **The CHAIR** drew attention to the 2004 Progress Report on Implementation of the Performance-Based Allocation System contained in document GC 28/L.9.

218. **Mr GUEYE** (Senegal) said that, while there was no objection to taking note of the report, the comments made by delegations on the PBAS when delivering their general statements should be taken into account.

219. **The Governing Council took note of the Progress Report on Implementation of the Performance-Based Allocation System contained in document GC 28/L.9.**

PROGRESS REPORT ON THE PROCESS RE-ENGINEERING PROGRAMME (STRATEGIC CHANGE PROGRAMME) (agenda item 13) (document GC 28/L.10)

220. **The Governing Council took note of the Progress Report on the Process Re-Engineering Programme (Strategic Change Programme) contained in document GC 28/L.10.**

REPORT ON THE LESSONS LEARNED BY THE INTERNATIONAL LAND COALITION
(agenda item 14) (document GC 28/L.11)

221. **The CHAIR** said that the International Land Coalition, founded and hosted by IFAD, was an alliance of civil society, intergovernmental and governmental organizations. The report summarized the lessons learned from the Coalition's 36 country partnerships on how State and non-State actors could work together to improve secure access by land-poor households to productive assets and related means to make their land productive.

222. The Governing Council took note of the Report on the Lessons Learned by the International Land Coalition contained in document GC 28/L.11.

PROGRESS REPORT ON THE GLOBAL MECHANISM OF THE UNITED NATIONS
CONVENTION TO COMBAT DESERTIFICATION (agenda item 15) (document GC 28/L.12)

223. **Mr INSUNZA** (Chile) said that, with a view to pursuing IFAD's important role of mobilizing resources for the region of Latin America and the Caribbean, the countries of his subregion wished to request the cooperation of the Global Mechanism in formulating Global Environment Facility (GEF) projects for the region of Latin America and the Caribbean.

224. **Ms BAIARDI QUESNEL** (Paraguay) said that her country, like others in Latin America and the Caribbean, was suffering the negative impact of climate change and felt that international cooperation had been of very great importance in support for the Global Mechanism and for the work under the Convention. In extremely fragile ecosystems, Paraguay had been able to work out programmes and action plans together with civil society to generate mechanisms for cooperation to increase the effectiveness and efficiency of activities that could mobilize additional financial resources. It was indispensable that IFAD continue to support the Global Mechanism.

225. **Ms GABARDINI** (Argentina) said that there had also been important achievements in her country in the fight against desertification which had come about with financial support from the Global Mechanism. Under the Convention, and through the identification of operational links between the IFAD portfolio and the project for the Patagonia region under the Global Mechanism, cooperation had been established with other partners in support of a number of activities in Argentina. Other benefits of cooperation under the Convention had been international exchanges and the development of a methodology for measuring effects on soil. Through the International Land Coalition, Argentina had been able to secure resources to reinforce the work of NGOs in arid and semi-arid areas. The subregional action programme had consolidated and mobilized GEF resources and there had also been extremely beneficial South-South cooperation. Argentina looked forward to continuing such cooperation.

226. The Governing Council took note of the Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification contained in document GC 28/L.12.

227. **Mr MERSMANN** (Managing Director, Global Mechanism) said that, having just taken up his duties, he looked forward to collaborating with IFAD as the Mechanism's host organization and with its Member States. The Global Mechanism will expand its focus to address issues of sustainable land management with NGOs and the private sector on the basis of overarching development agendas such as poverty reduction strategies and governmental policy making for sustainable development.

OTHER BUSINESS (agenda item 16)

Approval of Disclosure of Documents

228. **The CHAIR** recalled that IFAD's policy on the disclosure of documents provided that the disclosure of documents for any particular session was the prerogative of the governing body concerned. She therefore asked the Council to approve the public disclosure of all the documents that had been submitted to the current session. Its approval would result in the posting of the Council's documents on IFAD's public web site, thus making them available to the general public. She took it that the Council approved the public disclosure of all documents submitted to the current session.

229. **It was so decided.**

GENERAL STATEMENTS (agenda item 5, continued)

230. **Mr YISMA** (Ethiopia) said that his country had launched an agriculture-led industrialization strategy to improve the quality of life of the population which had a greater focus on the rural poor, who comprised 85% of Ethiopia's 70 million people. It had made significant headway towards attaining food self-sufficiency. The strategy, which was consistent with the MDGs, was based on greater productivity in the rural areas as a driving force for the ultimate goal of rapid economic development. Farmers' capacities had been strengthened through the use of appropriate technologies, fertilizers and improved seeds, which had been partly responsible for the country's recent bumper harvest. Ethiopia was grateful for the generosity of donors and international organizations in supporting its development effort. IFAD's programme in Ethiopia had involved capacity development, research, credit facilitation, marketing, livestock development and training. He drew attention to the importance of irrigation for agricultural development, particularly in drought-affected countries such as Ethiopia, calling on IFAD to give due consideration to small-scale irrigation development. Ethiopia could fulfil all its food needs by harnessing a network of irrigation systems rather than by relying solely on erratic rainfall.

231. African countries had demonstrated – through NEPAD and the African Union – their capacity to tackle the challenges affecting their development by drawing on the guiding principles of ownership and partnership. African countries called upon IFAD to redouble its efforts to combat poverty and backwardness by coordinating the efforts of donors and development partners.

232. **Mr KAMALUDEEN** (Maldives) said that, when the tsunami of 26 December 2004 struck, his country, which had only just graduated from LDC status, was set back by at least two decades in terms of its socio-economic development. It was his Government's hope that the international community would give consideration to the country's current situation and lengthen the grace period given it after graduation from LDC status. Twenty of the country's inhabited islands had been totally destroyed, while 53 had suffered severe damage. More than 12 500 people had been displaced and made homeless, while the entire communities of 14 islands had had to be evacuated. Fishing and agriculture – mainstays of the local economy – had been severely disrupted, and the impact on health and education had also been severe. A large proportion of the country's scarce arable land and crops had been damaged, and a substantial amount of farming equipment had been lost. The damage done to all Maldives' productive sectors – fishing, agriculture and tourism – meant that government expenditure had had to be diverted from other uses. Relief needs were large and complex, and there would be a long-term need for rehabilitation and reconstruction. Estimates suggested that the total damage could be well over USD 2 billion and Maldives would not be able to cope on its own. It was confident, however, that it would be able to recover and rebuild with the assistance and support of the international community.

233. In rehabilitating its fisheries, Maldives urgently needed international assistance in the replacement and repair of fishing vessels and gear, equipment and facilities for fish production, and

fisheries infrastructure, and in the assessment of the impact on fishery resources and their rehabilitation. In the short term, microcredit arrangements were needed for operational capital to enable cottage processors to rebuild their livelihoods. Urgent assistance was required in replacing basic agricultural production inputs and infrastructure, the rehabilitation of soil and water resources in affected areas, the provision of extension services to facilitate the recovery phase, the strengthening of marketing and support services such as credit facilities, agrarian services and crop insurance, and the development of agricultural infrastructure in uninhabited islands.

234. In conclusion, he expressed his Government's appreciation of the speed with which IFAD had responded with assistance to Maldives in the aftermath of the tsunami. An IFAD mission was currently in Maldives completing an assessment of the damage caused to fisheries and agriculture and drawing up an urgently needed programme of assistance.

235. **Mr SARR** (Guinea), noting that IFAD was one of the main donors in the implementation of his country's policy of economic and social development, said that his Government's food security strategy had been seriously jeopardized by the instability of its neighbouring countries, Liberia, Sierra Leone, Guinea-Bissau and Côte d'Ivoire, which had led to the influx into Guinea of hundreds of thousands of refugees, with a consequent agro-food imbalance and disruption of production systems. For that reason, and because the cost of debt servicing was wiping out the wealth creation and agricultural growth required for combating poverty, the Government was hoping for a substantial increase in the volume of IFAD's financial support.

236. Guinea sought the Fund's support for the implementation of its agricultural development policy. Further diversification of IFAD's action would also be welcome, especially in terms of strengthening the institutional capacities of the agricultural administration. He hoped that the present session of the Council would take Guinea's development concerns into account. Guinea had been invaded by desert locusts, which had completely ruined food and vegetable production. The country had very limited means with which to cope, and urgently requested the help of IFAD and all its partners in eradicating the locusts.

237. **Mr PERERA** (Sri Lanka) noted with appreciation that in December 2004 his country had been able to sign another loan agreement with IFAD, worth USD 22 million. Sri Lanka warmly welcomed IFAD's recommendation that the programme, which had originally been intended to assist about 80 000 rural households in several districts of the dry zone, should be increased, in the aftermath of the tsunami disaster, by USD 3 million to be used exclusively to mitigate the effects of the tsunami in the east and south of the country. Two thirds of Sri Lanka's national fishing fleet had been destroyed and much of its fisheries infrastructure severely damaged. Although immediate crop damage was moderate, the loss of crop lands and land productivity due to the effect of salt water and the destruction of irrigation infrastructure posed a considerable threat to Sri Lanka's agriculture sector.

238. With the assistance of the international community, the Government of Sri Lanka had moved expeditiously to engage in the reconstruction and rehabilitation of livelihoods, infrastructure, fisheries and agriculture, and was grateful for not only the North-South cooperation that had been forthcoming but also South-South cooperation, especially with regional partners. Sri Lanka also appreciated IFAD's proposal, to be submitted to the Executive Board during 2005, for a New Coastal Community Resources Management Programme, which would target poor and distressed households in tsunami-affected areas and address needs for recovery of assets and infrastructure. He expressed his gratitude to IFAD for the prompt action it had taken to field the tsunami response needs assessment mission in Sri Lanka and his hope that the mission's recommendations would be a catalyst for future IFAD operations in the country. Sri Lanka continued to devote attention to overcoming the challenges arising from globalization, with the assistance of IFAD and the wider international community.

239. **Mr REID** (United Kingdom of Great Britain and Northern Ireland) commended IFAD on the progress made with the reforms since the Sixth Replenishment exercise, in particular the introduction of the Field Presence Pilot Programme, and on its response to the Independent External Evaluation report. That report was in fact a sobering document, for it showed that a step change was required if IFAD was to maximize its impact on the MDGs. The report's recommendation that IFAD should produce a strategy to influence policy at the country and international levels was particularly welcome. It should also take an active part in the debate on how best to ensure that development agencies aligned their work with country-owned strategies and international best practice. The Fund's comparative advantage lay in its focus on the poorest of the potentially productive poor and its willingness to innovate. It had a long way to go in that regard and must build on the work started under the Initiative for Mainstreaming Innovation. The United Kingdom was providing USD 10 million to support that work and was pleased with the results so far. IFAD should establish a body to guide the Initiative and clear indicators for measuring progress. Other donor support for the Initiative would be welcome.

240. The new business model recommended in the evaluation might require a restructuring of the Programme Management Department and an overhaul of the Country Programme Manager model. His delegation fully supported the decentralization of staff and decision-making to the national level when the number of programmes so warranted. Another important issue addressed in the evaluation was the improvement of knowledge management. In addition, the new human resources policy ought to bring significant change in the Fund's culture and ways of working. Implementation of the policy would not be easy but was very necessary. The United Kingdom was supporting in that connection the Development Centre initiative across all three Rome-based agencies as an excellent example of cross-organizational learning.

241. The United Kingdom had identified, in conjunction with IFAD staff, four areas in which its Department for International Development would provide capacity-building assistance to IFAD to enable it to accelerate the pace of change, namely, development of knowledge management policy, development of corporate planning tools, development of a staff performance system, and enhancement of country impact through improved alignment and harmonization. It would welcome support in those areas from other Member States under the leadership of the Fund's senior management. The general direction of change was clear; the challenge was to make change happen.

SUMMARY OF THE PANEL DISCUSSION ON THE THEME: "ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS: RURAL INVESTMENT AND ENABLING POLICY"

242. **The CHAIR** gave a summary of the panel discussion on the theme "Achieving the Millennium Development Goals: Rural Investment and Enabling Policy". The full text of the summary is reproduced in chapter 4.

CLOSURE OF THE SESSION

243. **The CHAIR** made a closing statement, the full text of which is reproduced in chapter 4.

244. She declared the Twenty-Eighth Session of the Governing Council closed.

245. **The meeting rose at 18.00 hours.**

CHAPTER 3

B. ROUND-TABLE DISCUSSIONS

246. During its third meeting, on the morning of 17 February 2005, the Council simultaneously held three round-table discussions on topics described in information papers GC 28/INF.4, GC 28/INF.5 and GC 28/INF.6.

247. The round tables were organized as follows:

Achieving the Millennium Development Goal of Halving Poverty by 2015: Sharing Experiences between Asia and the Pacific and Western and Central Africa (background information given in document GC 28/INF.4)

- Chairperson: The Honourable Rene C. Villa, Secretary at the Department of Land Reform of the Republic of the Philippines
- Discussants: (i) The Honourable Dr Hari Upadhyaya, Member of the National Planning Commission of the Kingdom of Nepal
- (ii) Dr Alioune Sall, Executive Director of the African Futures Institute of South Africa

National Strategies for Rural Poverty Reduction: A Comparison of Experiences (background information given in document GC 28/INF.5)

- Moderator: Dr Andrew Shepherd, Co-ordinator of the Rural Policy and Governance Group at the Overseas Development Institute of the United Kingdom
- Discussants: (i) Dr Daphrose Gahakwa, Minister of State in charge of Agriculture, Ministry of Agriculture and Animal Resources of the Republic of Rwanda
- (ii) Mr Guilherme Cassel, Vice-Minister of Agrarian Development of the Federative Republic of Brazil
- (iii) His Excellency Mohamed Habib Haddad, Minister for Agriculture and Hydraulic Resources of the Republic of Tunisia

Rural Poverty Reduction is Key to Achieving the Millennium Development Goals (background information given in document GC 28/INF.6)

- Chairperson: Mrs Janet Museveni, First Lady of the Republic of Uganda, Founder of the Uganda Women's Effort to Save Orphans (UWESO)
- Presenter: Mr Hans Rosling, Professor of International Health at the Karolinska Institute of Sweden
- Commentator: Mr Klemens van de Sand, Coordinator for the Millennium Development Goals, Federal Ministry for Economic Cooperation and Development of the Federal Republic of Germany

248. The conclusions reached by the round tables were then summarized by The Honourable Rene C. Villa, Dr Alioune Sall and Mr Guilherme Cassel at the beginning of the panel discussion *Achieving the Millennium Development Goals: Rural Investment and Enabling Policy*, which took place in the Plenary Hall on 17 February 2005, as shown in the summary record for the third meeting, pages 27 to 34. Their comments formed a very relevant introduction to the panel and proved to be an excellent base for discussion.

CHAPTER 3

B. OTHER GENERAL STATEMENTS

Statement of the Governor for the Republic of Albania

On behalf of the Albanian Government, I am pleased to compliment the President and staff of IFAD for the contribution and cooperation offered during these years, working with the private sector and civil society on programmes for poverty reduction and economic growth in rural mountain areas.

The International Fund for Agricultural Development has been present in Albania for more than a decade and is cooperating with the Albanian Government to tackle the challenges that farmers in rural and mountain areas are facing.

The Albanian Government, in turn, has paid and is still paying special attention to its cooperation with IFAD in order to carry out rural and agricultural development programmes in rural areas in general, and particularly in mountain areas. According to the National Strategy for Social and Economic Development, 80% of poor families in Albania live in mountain areas. However, the Government's financial means over the last decade have been minimal and, most of the time, lacking. Up to 2003, it was impossible to achieve positive public savings. In these circumstances, IFAD financing has been an irreplaceable instrument and a very important support, not just for agricultural development but also to combat poverty.

IFAD support has not been only financial. When challenges for agricultural development and poverty reduction in the rural areas of our country have common components with those of other countries where IFAD cooperates, this support has been and is still important in aspects of the vision, policies and instruments in this field. It is not by chance that at the base of agricultural and rural development stands the productivity increase for each small farmer, although the area owned by each rural family – 1.1 hectares – is very limited and constitutes a significant disadvantage. Meanwhile, when both internal markets and, especially, external ones are most of the time impossible to be reached by the rural poor, world experiences and the introduction of these experiences through IFAD constitutes an immediate contribution for the Government of my country.

The Albanian Government's cooperation with IFAD in the first two projects implemented in the north and north-east areas – the Northeastern Districts Rural Development Project and the Small-scale Irrigation Rehabilitation Project – is considered successful. The experience of cooperation and implementation gained from these projects is embodied in the implementation of the Mountain Areas Development Programme financed by IFAD, which represents a distinct programme for the development of these areas and for poverty reduction. Its objectives and strategy are consistent with the general strategy for agricultural development (Green Strategy) and with the Strategy for Economic Development and Poverty Reduction and the Strategy for Social and Economic Development. The Mountain Areas Development Programme, which is currently under implementation in Albania in cooperation with IFAD, aims to: increase agricultural services; increase farm productivity; diversify activities with a view to increasing production for the market; upgrade agricultural and rural infrastructure; improve pastures and forests; increase efficiency; and establish credit branches and agricultural and non-agricultural activities for the mountain areas. Through this programme different organizations and associations have been established – such as water users' associations, the Association of Forests and Pastures, and the Producers and Processors Association for Agriculture Products – to ensure efficient participation and administration of natural resources.

Mountain Areas Development Vision

In the framework of the Strategy for Social and Economic Development, the Mountain Areas Development Programme financed and supported by IFAD has conceived **a new vision**: a mid-term and long-term **vision** for development of the mountain areas.

Inhabitants of mountain areas should have equal access to development opportunities as those living elsewhere so as to allow them to build their future in accordance with the natural, human and cultural resources they have. Poverty has been reduced through establishment of the commercial sector (private farm enterprises, small and medium-sized enterprises) functioning within an enabling environment, and by reducing out migration and attracting private investments. Best government practices are developed – based on social cohesion, participation and sustainability – with special attention to human and natural resources. The valuable environments of the mountain areas are protected and improved while new infrastructure is being built, including international roads connected to the areas.

The **pillars** of the Mountain Areas Development Vision include:

- building up the capacity of local governments and local communities;
- private-sector development through new agribusiness support, a friendly environment towards business, and establishment of basic business services in other sectors; and
- public investments in social infrastructure, environmental protection and economic infrastructure – the latter being connected to the environment.

The **foundation** of the Mountain Areas Development Vision is based on the existence and development of a strong participatory and advocacy framework to assure that local actors own the process, programmes and resources for the development of mountain areas.

This vision, which was implemented with the assistance of IFAD staff, is making good headway. However, we are conscious that our achievements towards reaching the Millennium Development Goals are behind expectations. The number of poor families, especially in rural areas, is still high; meanwhile, funds for investment in these areas are limited.

Under these conditions, the innovation of common projects and programmes between the Albanian Government and IFAD is not only desirable but also indispensable.

Thank you for your continuing support to Albanian agriculture.

**Statement of the Alternate Governor
for the Republic of India**

I begin by welcoming Mr Nelson Machado to the Chair. We would greatly value the Chair's guidance in our collective efforts in pursuing IFAD objectives.

Over the past 25 years, IFAD has acquired deep and valuable experience in the field of agriculture and rural development. Indeed, it is the only multilateral organization which exclusively targets the rural poor. However, given the small size of its programme portfolio – around USD 400 million per year – its direct impact on alleviating poverty and achieving the Millennium Development Goals is marginal. IFAD must, therefore, capitalize on its unique niche so as to leverage results that are larger than the finances invested by the organization. In order to justify its existence and to survive in the future, IFAD must, therefore, do things differently and do them better. Innovation, demonstration of new models, scaling up and replicability lie at the core of IFAD's strategic framework. By experimenting and taking risk, by focusing on the poorest and most marginalized, by targeting geographically remote and difficult areas, IFAD can play a significant role in the global development scenario and make an impact that is not limited by the size of its financial portfolio.

IFAD must position itself as a development institution and not as a financial institution. By modelling itself on large international financial institutions it will lose its comparative advantage and its very *raison d'être* may be in question. IFAD must adopt approaches based on its uniqueness and specificity, and it must be more effective in ensuring delivery to its target group. Historically, developing countries have played an important role in IFAD, both in terms of financial contributions and political influence. The policies of the organization must reflect the needs and concerns of developing countries and IFAD should establish itself as a credible voice of the poor.

Mr Chairman, global extreme poverty is mostly a rural phenomenon. My Government has made it its mission to eliminate rural poverty in the shortest possible period. We believe that one of our greatest assets are our human resources, our people. Empowering the people, especially the poor, and facilitating their full participation in the growth process through gainful employment will enhance their welfare. A keystone of the economic policy of the Government of India is assuring 100 days' employment to each family.

The Government of India has recently taken several measures in its assault on poverty and unemployment. We recognize that microfinance initiatives are a cost-effective way to take the banking system to the poor. Under the self-help group (SHG)-bank linkage programme, 167 million families had benefited through 1.08 million SHGs financed by banks. Agriculture and the rural economy have been recognized to be critical to sustain our overall annual growth of 7-8%. A massive scheme to repair, renovate and restore all water bodies that are directly linked to agriculture has been started. Doubling agricultural credit in three years, providing farm and livestock insurance, improving agricultural product markets, and promoting agri-businesses are some of the major initiatives in this sector.

I am glad to share with you that our efforts have shown good results. The incidence of poverty expressed as a percentage of people living below the poverty line has witnessed a singular decline, from 55% in 1973-74 to 26.1% in 1999-2000. We aim to reduce the poverty ratio to 19.3% by 2007 and are comfortably placed to meet the Millennium Development Goal of halving the number of people living in poverty by 2015.

IFAD projects in India have addressed some of the most marginalized communities in the most difficult and remote geographical areas. Although small in size, the impact of IFAD projects is significant and they are expected to provide models in our development planning at the national and state levels. Experience has shown that poverty alleviation programmes work successfully when they are designed and implemented in consultation with, and with full participation of, the beneficiaries. Since most IFAD projects are in the nature of community assets development or livelihood support, IFAD should, as a matter of policy, insist on the involvement of NGOs and community organizations in the development and implementation of projects supported by it. Our experience in the IFAD-supported Livelihood Security Project for Earthquake-Affected Rural Households in Gujarat, implemented by an NGO (the Self-Employed Women's Association), only confirms this belief. We are happy that Board Directors had an opportunity to visit this project and experience the lives that very poor families lead in Indian villages. We hope that this will give them a greater sensitivity to the core issues of poverty and will better inform their outlook on IFAD's work.

We applaud the response of donors across the world to the recent tsunami in our region, but once again we would urge the developed world as a whole to keep their commitment to contribute 0.7% of their GNP as official development assistance (ODA) so that hunger and poverty everywhere is eliminated. It is a matter of concern that, despite the realization that poverty is largely concentrated in the agricultural and rural sector, ODA to this sector in particular has been declining.

The Consultation on the Sixth Replenishment of IFAD's Resources did not meet our expectations. Although many countries did indicate substantial increases in their contributions, the overall level of the Sixth Replenishment is well short of the target and the lending level shows little change over that of the previous replenishment period. In order to increase the scope and span of its activities, IFAD must generate more resources. Although the proposed level of USD 500 million in 2005 is an improvement over past years, and an acknowledgement of our persistent demand, IFAD should be doing much more. By covering all eligible recipient countries only in a cycle of about eight years, IFAD cannot expect to be a significant partner in the development dialogue. We hope the Seventh Replenishment will bring a major increase in IFAD's resource level; but we believe that even with the existing resources IFAD can prudently undertake a much larger volume of work. Resources available with IFAD need to be invested in development projects in poor countries and not left in low-return securities.

May I also suggest that IFAD should avail itself of the investment and business opportunities presented by developing countries? By outsourcing selected administrative functions using information-technology-enabled services, by investing its funds in secure instruments and by using the services of developing country experts, there will be significant efficiency gains for IFAD. Furthermore, IFAD can productively deploy a larger amount of its financial resources in the emerging capital markets in Asia and other developing countries.

Finally, Mr Chairman, we look forward to a productive year ahead and a successful replenishment, and – on behalf of my Government – I assure you our full cooperation and support to the aspirations and activities of IFAD.

**Statement of the Alternate Governor
for the Republic of Madagascar**

Mr Chairman, Madagascar is pleased to see you once again as Chair of this Council. We are confident that the Council's work will be crowned with success under your enlightened and capable leadership.

On the happy occasion of the re-election of Mr Bâge for a second term at the helm of our organization, I would like to join the other delegations in congratulating President Bâge. My delegation wishes him every success and would like to convey assurances of our support.

The International Fund for Agricultural Development, established as a result of the World Food Conference held in Rome in 1974, was created to mobilize investments to benefit the rural poor. Then, as now, rural poverty went hand in hand with food insecurity, and it is in fact difficult to separate the two at the national, regional or household level. The Fund's objectives continue to be very relevant to rural development efforts and the search for greater social equity in the rural sector. Madagascar endorses these objectives fully.

IFAD has been particularly effective in carrying out its important mandate, and I would like to commend the President and staff for their accomplishments in this regard.

Our delegation welcomes the President's statement concerning the Fund's activities in 2004, and is especially pleased to see that the session's agenda includes the important question of rural investment and enabling policies as they relate to achieving the Millennium Development Goals, as well as three round-table discussions.

This initiative responds to Member States' expectations, particularly with respect to investing in the rural world. By addressing such an important issue at this gathering, IFAD can more effectively give the rural poor the means to escape poverty and contribute, during the coming years, to achieving the Millennium Development Goals.

This year, 2005, is in fact the year for evaluating progress towards the Millennium Goals and for following up on the Monterrey International Conference on Financing for Development. The Doha round of trade negotiations, known as the Development Round, is also coming to an end. Development will be the order of the day in 2005 to a greater extent than in preceding years. We await with interest the results of the Millennium Goals evaluation.

Given the relevance of the matters before this Governing Council, our deliberations here promise to be very fruitful.

Before turning to my views on several issues that are of importance to us, I would like first of all to touch upon my own country's rural development policy.

Our Government is convinced that the rural sector must play a leading role in combating poverty and, accordingly, plans to relaunch the agricultural sector and provide the poor with the means to gain employment, earn higher incomes, and obtain access to land and credit as well as title to their land. In line with the objectives set forth in the poverty reduction strategy paper (PRSP), rural development aims to:

- ensure food security
- contribute to stronger economic growth
- reduce poverty and improve rural living conditions

- promote the sustainable management of natural resources
- promote training and information to improve rural production

These objectives are consistent with sector policies and with the vision of central and regional development actors in the country. The PRSP calls for reducing poverty in Madagascar from 70% to 35% by the year 2015 and addresses the challenges of growth and investment and improving quality of life.

Accordingly, the main objectively verifiable indicators concerning the rural sector are an increase in average GDP of about USD 400 per capita by 2015, maintaining 4% annual growth in agriculture, lowering the relative weight of the primary sector from the current 36% to 25% by 2015 and raising productivity per annum by about 2.4% for each worker.

In the context of implementing the rural development policy, the Government has drawn up a Plan of Action for Rural Development. The plan provides a framework for the design, definition and orientation of rural development strategies and programmes. Madagascar has selected rural development as the preferred platform for economic growth, and 2005 will be devoted to this priority. Agricultural production must be promoted through better technical and financial training in the rural environment, facilitating exchanges thanks to improved security and infrastructure. An export-oriented agro-industrial sector needs to be created.

Our delegation would like to take this opportunity to reiterate our long-standing support for IFAD. The Fund's work in Madagascar is much appreciated by the rural populations and is highly responsive to the main objectives set by our Government.

Cooperation between IFAD and Madagascar dates back to the Fund's early years. We have worked together constructively since the 1980s on eleven agricultural and rural development projects. These projects have enabled us to develop areas with special challenges and have clearly had a positive impact on disadvantaged rural populations. They have brought an integrated approach to regional development that takes into account the needs of target populations as a whole, considers women as partners in development, promotes participation by beneficiaries and involves local NGOs. As a result, we are counting on intensifying our cooperation with the Fund in the years to come.

Allow me to comment briefly on the documents placed before us, in particular the Programme of Work and Administrative Budget of IFAD and its Office of Evaluation for 2005, the Report on the Sixth Replenishment of IFAD's Resources, and the 2004 Progress Report on Implementation of the Performance-Based Allocation System.

Madagascar is pleased to be among the beneficiaries of IFAD loans in 2005. I refer to Table 4 and paragraph 14 of Annex IV to document GC 28/L.7. We look forward with interest to seeing this project materialize. In the case of the IFAD programme of work and budget, my delegation supports the adoption of the draft resolution presented.

Clearly, the Seventh Replenishment of IFAD's Resources is of capital importance in terms of the Fund's future and the continuation of its activities. Consistent with its tradition of international solidarity, Madagascar endorses without reservation the draft resolution on the Establishment of the Consultation on the Seventh Replenishment of IFAD's Resources as set forth in document GC 28/L.5.

My delegation takes note with satisfaction of the Report on the Sixth Replenishment of IFAD's Resources contained in document GC 28/L.4 and Add.1.

Finally, my delegation endorses the conclusion and recommendations of the 2004 Progress Report on Implementation of the Performance-Based Allocation System set forth in document GC 28/L.9, paragraph 9.

**Statement of the Alternate Governor
for the Republic of Mauritius**

IFAD has supported the comprehensive poverty alleviation strategy of the Government of Mauritius to stimulate diversified and sustainable economic development for low-income households.

The entire Rural Diversification Programme was designed on the basis of a demand-driven approach, whereby responsibility for management rests with the beneficiaries in collaboration with implementing agencies.

Mauritius benefited from a USD 11.12 million loan from IFAD under the Rural Diversification Programme to support the Government's comprehensive poverty alleviation strategy and stimulate diversified and sustainable economic development for low-income households. Funds are currently being used for irrigated agriculture development to increase productivity on marginal lands belonging to small planters and thereby increase their income and access to food. In the fisheries sector, the IFAD-financed project provides for development of fisheries in the ocean to improve fishermen's catches. Microenterprises in the rural areas have also been provided with finance for their development and improvement.

Under the irrigated agriculture component of the IFAD project, it is noted that there has been an unforeseen delay in implementation due to lack of legal framework for empowering the water user's association, inadequate training of the beneficiaries in irrigation system maintenance, water management, etc. Capacity-building of beneficiaries was found to be a very important component of the project, which was previously overlooked. During project implementation, it was noticed that heavy administration of IFAD-funded projects caused unnecessary delays in obtaining clearances. In the case of Mauritius, the project coordinator is based at the Ministry of Finance. The steering committee is chaired by the Ministry of Economic Planning and implementation is undertaken by different ministries. Clearances for many items calling for tender procedures are very lengthy and more so when approval is required from the United Nations Office for Project Services. Consequently disbursement of funds to the implementing agencies is very slow.

We make an appeal to the IFAD secretariat to look into the constraints faced by implementing institutions so that project implementation becomes more effective.

**Statement of the Governor
for the Kingdom of Morocco**

As I participate for the first time in the proceedings of this honourable Council, I would like to first express, on behalf of the Moroccan delegation, our deep gratitude to the Italian authorities for the ongoing support they have provided to IFAD. I would also like to warmly congratulate the chairman and deputy chairman of this session and share with you my hope that they will succeed in their missions.

I would like to express our appreciation and recognition to Mr Båge for the splendid efforts and services that he has provided throughout his presidency of IFAD, which has made significant progress in recent years in developing programmes, updating its operating methodology, and providing essential financial resources.

We commend the effective role played by IFAD in combating poverty and promoting the rural world through the development programmes and projects that it supports. Rural development and the combating of the epidemic of poverty entail requirements that necessitate using all channels, including the development of own resources, securing the necessary additional resources, and pooling efforts in the framework of international solidarity.

We praise IFAD's positive involvement and work in the field to reduce the debt of poor countries, which allows these countries to include their rural populations in the general development process. We also commend the level of technical support granted to countries and regions in the context of their efforts to promote progress in the rural world.

Morocco has adopted rural development as a policy objective and is committed to continuing to implement rural development programmes and providing the necessary resources to increase the pace of implementation. Morocco has made diversification of the rural economy a priority for alleviating the effects of climatic vagaries (as characterized by structural drought), which have an adverse impact on agricultural production.

These efforts are geared primarily towards achieving the material and social advancement of the rural population. This can be accomplished only through investments to meet the rural population's basic needs, increase its income, and improve its standard of living in a sustainable way. The Moroccan Government and civil society attach great importance to programmes that foster and strengthen the capabilities of poor rural women and grant them incentives to become involved in new economic activities with an eye to ensuring their broad-based participation in development.

As you know, IFAD has helped shape a comprehensive programme to develop the rural world in Morocco in the form of cooperative development projects that are currently being implemented at a total cost of USD 135 million. IFAD is covering 50% of these projects, which address various spheres related to rural development in remote areas, especially in the eastern and central regions of the country. This programme includes the following pivotal projects: the Tafilalet and Dades Rural Development Project; the Rural Development Project for Taourirt-Taforalt; the Rural Development Project in the Mountain Zones of Al-Haouz Province; the Integrated Research and Durum Economics Network (IRDEN); and the Livestock and Rangelands Development Project in the Eastern Region - Phase II.

I would like in particular to focus on the Rural Development Project in the Mountain Zones of Al-Haouz Province, which includes 17 rural communes and aims to improve the population's standard of living through the sustainable use of natural resources. This project – 60% of whose total cost of 315 million dirhams is being covered by IFAD over the period 2002-2007 – can serve as a true

model for the economic recovery of mountainous areas in view of its geographical expanse, the approaches and mechanisms that it implements, and its innovative introduction and revival of non-agricultural and non-forest resources.

These projects have generally helped improve the lives of farmers by increasing their income and contributing to their stability and the sound management, use and conservation of their natural resources. We hope that this fruitful cooperation with IFAD will continue through the implementation of other projects in the framework of the 2020 Rural Development Strategy.

At the regional level, I would like to point out that Morocco is seeking to be a partner in a new agricultural system suited to the agricultural challenges facing the African continent. In this regard, His Royal Highness King Mohamed VI, in his message to the International Agriculture Forum held in Dakar, Senegal, on 4-5 February 2005, called for the establishment of a balanced, robust global agricultural system to strengthen solidarity and cohesion among societies in the framework of South-South and North-South cooperation.

In conclusion, I would like to underscore the Kingdom of Morocco's pride in the remarkable level of its fruitful cooperation with IFAD and IFAD's ongoing, constructive efforts to keep pace with Morocco's efforts to implement development programmes and projects, particularly to improve productivity and rural beneficiaries' living conditions and to conserve natural resources.

**Statement of the Acting Governor
for the United States of America**

It is my pleasure to represent the United States at this Governing Council. As we look forward to negotiations for the Seventh Replenishment we have reason for optimism about the future of IFAD and the important role it plays to reduce poverty and increase growth among the rural poor.

Together, we have worked hard this past year to put in place policies and programmes that should enable IFAD to contribute to delivering resources more effectively and accountably, as reflected in the IFAD-VI policy reforms. The United States accepts with all of you the challenge to maintain the momentum of these reforms while undertaking additional efforts to improve the institution's measurable results in fostering growth and alleviating rural poverty. While the work is not yet finished, there has been important progress on many key issues.

We would like to commend IFAD for its commitment to carry out the first truly external evaluation of the effectiveness of the organization. This evaluation has provided IFAD with a credible, objective and comprehensive picture of IFAD's performance and results over the years. We are pleased to see the positive trend in performance over the past few years but recognize there is no room for complacency if IFAD is to achieve measurable results on a par with or exceeding that of other international financial institutions operating in the rural sector. We urge continued improvement in meeting the 10% grant target agreed to under IFAD-VI to ensure that countries can benefit fully from this important operational instrument. We look forward to implementation this year of the first-ever performance-based allocation system so that assistance is targeted to its most effective uses, and to the development and publication of the first-ever results monitoring system.

Even as we recognize the record of accomplishment over the past year, our focus must remain on the serious work remaining ahead of us. This work includes a strategy for deeper engagement with the private sector and further improvements to country strategic opportunities papers (COSOPs) among other tasks. One of our overarching challenges, of course, is to develop a results oriented and monitorable action plan to address the findings of the independent evaluation.

Underlying our optimism are several core principles. They include: increasing agricultural productivity of poor and food-insecure farmers; increasing incomes and making markets work for the rural poor; conserving natural resources essential for food security; reforming policies and creating an enabling environment for the private sector; allocating resources transparently, fairly and effectively, focusing on project effectiveness and measuring results; and holding IFAD's partners and itself accountable in a transparent manner. These will be among the precepts that will inform our approach to the Seventh Replenishment discussion this year.

As a relatively small institution devoted exclusively to the rural poor, IFAD has created a niche as a project-based institution, deploying its scarce resources to increase the productivity and incomes of poor farmers located in remote rural communities that are underserved by other donors. IFAD should continue as an innovative and project-based institution even as it strives to support country-led development strategies in coordination with other donors in the agricultural sector. By applying these core principles to this project-centric approach, it should be able to deliver concrete and sustainable results for the benefit of the rural poor.

As a strong supporter of IFAD's purpose and mission, we look forward to working with all of you in the years ahead to maintain and improve upon IFAD's accomplishments in rural development.

Statements and Special Addresses



The Right Honourable Yoweri Kaguta Museveni, President of the Republic of Uganda, giving his inaugural address



His Excellency Guy Verhofstadt, Prime Minister of the Kingdom of Belgium, delivering his keynote address



Lennart Båge, President of IFAD, addressing the plenary

CHAPTER 4

STATEMENTS AND SPECIAL ADDRESSES

**Welcoming Statement by the President of IFAD,
Lennart Båge,
on the Occasion of the Visit of
The Right Honourable Yoweri Kaguta Museveni,
President of the Republic of Uganda**

Distinguished delegates,

It is truly my great privilege to welcome President Museveni today to the Twenty-Eighth Session of the Governing Council of IFAD. On behalf of all the Members of the Fund, may I express our deep appreciation to you, Mr President, for honouring us by having accepted our invitation to inaugurate this session today.

As an original member of IFAD, Uganda's partnership with the Fund has grown from strength to strength over more than twenty years, as has its standing not only as the "pearl of Africa" but as a symbol of Africa's potential for a dynamic future. Indeed, Uganda has developed from a country ravaged by conflict, economic disorder and pervasive food insecurity to a rapidly growing economy.

Your distinguished presidency has seen Uganda hailed as a success story in the fight against HIV/AIDS, and it has seen the empowerment of women and the commitment to improving rural livelihoods through agriculture-led economic growth.

With more than 80% of the population of Uganda dependent primarily on agriculture for their livelihoods, IFAD has a long and strong collaboration with your country and, together, we will continue to strive towards our common goal of eradicating rural poverty.

Your presence here today, President Museveni, bears testament to your support of our Fund and we look greatly forward to your address.

**Inaugural Address by The Right Honourable Yoweri Kaguta Museveni,
President of the Republic of Uganda**

Mr President of the International Fund for Agricultural Development,
Mr Prime Minister of the Kingdom of Belgium,
Members of the Governing Council,
Distinguished Ladies and Gentlemen,

IFAD was set up in 1978 as a partnership between the developing and developed nations with the specific mission to help “eradicate rural poverty and hunger”. At that time I was busy fighting Idi Amin’s dictatorship in Uganda and I did not follow the events leading to the setting up of IFAD. I was too preoccupied to follow international affairs.

When I came into Government in 1986, I was informed of IFAD’s activities by Mr Jazairy, the Algerian President of IFAD at that time. IFAD has done tremendous work in Uganda: since 1981, IFAD has spent USD 132 million in Uganda. This money has funded the following activities: agricultural reconstruction, agricultural development, south-western region agricultural rehabilitation, cotton subsector development, vegetable oil development, district development support, area-based agricultural modernization, national advisory services (known as NAADS), rural financial services, and so on. These have been implemented in the districts of Kasese, Hoima, Kalangala and Masindi, among others.

No doubt IFAD has made similar efforts in other parts of the world and these efforts are commendable. Nevertheless, rural and urban poverty still afflict nearly 1.2 billion people throughout the world. In the case of Uganda, people living on the poverty line have declined from 56% in 1986 to 38% now. The figures would have been even better if it were not for the Sudan-orchestrated terrorism in northern Uganda. I am not, however, surprised by the contradiction. And what is the contradiction? The efforts of IFAD and other players with well-intentioned efforts on the one hand and the continued mass poverty of beneficiaries on the other hand. What is the source of this contradiction? IFAD, the Food and Agriculture Organization of the United Nations and the United Nations Development Programme and many others have made efforts to get rid of hunger, famine and poverty but we still have 1.2 billion people in the world living under precisely those conditions. I myself am not surprised; this is because of the unintegrated approach to the problems of rural poverty and agricultural production.

IFAD’s mandate is to eliminate hunger, famine and poverty. In order to eliminate these three, basing yourselves on agriculture, you must restructure traditional subsistence agriculture into modern commercialized agriculture. In my opinion, there are only four reasons that can lead somebody to engage in agriculture. If some of you know any other reason, you will tell me, but for me I have only been able to think of four. The first reason, subsistence farming: you engage in agriculture just to produce food for your stomach; second, commercial farming; third, subsistence commercial farming, a hybrid of the two – you grow crops for your own consumption and also for commercial reasons. The fourth reason is to engage in farming as a hobby; this is a leisure activity of rich people. When people are too rich, they have nothing to do, they engage in farming as a hobby. They may get a glass container, put it in the sitting room, put in there a small, red-coloured fish, which is swimming around, to amuse themselves; this is a form of agriculture; or tend flowers, this is a hobby – farming as a hobby. I cannot think of any other type of farming outside these four categories.

Although Uganda has benefited from IFAD loans, I have not had time to find your stand on these four modes of agriculture. Sometimes there is talk of food security: what does this mean? Does it mean having enough food to put in your stomach? How about the cash needs of the family vis-à-vis health, education, clothing, housing, leisure, etc.? If you say you produce enough for the stomach,

how about the other needs, how about money needs? And where is the money for health, for education, for decent housing – the requirements of a modern life? Can we still get a family out of poverty by merely producing for the stomach? How will this be met if you only concentrate on food production for the stomach? Sometimes there is talk of “selling the surplus”: you produce and consume and you sell the surplus. Will that surplus bring in enough money to balance the household income with the household expenditure? You can only say that you have got rid of poverty if in addition to food you have enough money to balance the household income between income and expenditure. If you are spending more than you are earning, then you are living under poverty.

If, on the other hand, we are talking about commercial agriculture production or a hybrid of commercial and subsistence, then concomitantly as a result we must also talk of agro-industrial processing and access to internal, regional and international markets for the products of our programmes in addition to such other programmes as roads, health units, etc. Do we have those linkages clearly in front of us – production at the farm level, storage, transportation, processing by adding value instead of selling our products in a raw material form and, finally, marketing within the home country, in the region or internationally. Do we have these stages clearly in front of us, the linkages from production up to processing, up to marketing?

In my opinion, it is the failure to put in place this vertical linkage of the necessary stages that is the most prominent cause of the perpetuation of hunger, starvation and poverty. The most strategic and sustainable stimulus factor is the market. When somebody buys what you produce, he is assisting you to banish hunger, famine and poverty forever. All the other factors are link factors; these are factors like storage, transport and processing. If we produce maize but nobody buys it, we may in the short run feed ourselves. However, without incomes the family members may have to shift to the towns to look for jobs. Since subsistence farming is based on family labour, it will soon mean that in the end you will suffer from food insecurity instead of food security because when people do not have money, even if they have food, they will have to go and look for money. And when they go to look for money, then they abandon the farms, especially if they are based on family labour. If we focus on the three elements – production, processing and marketing – we shall kill so many birds with one stone. We shall cater for employment, for food security, for foreign exchange earnings, for tax revenue collection by the government and, as a consequence of all this, social transformation.

I study a lot of international literature and a year or so ago we were in Abuja, Nigeria, attending the Commonwealth meeting, the meeting of countries that had a linkage with Britain in the past: they are called the British Commonwealth and we are part of that group. I asked why don't you have in your literature the words “social transformation”? You find other words – “development”, “sustainable growth” and so on – but you do not get the words “social transformation”. Europe has transformed in the last 400 years from a feudal society into a modern, capitalist, skilled-working-class society. That is why you do not need IFAD here in Europe – I do not think IFAD is for Europe. IFAD is for the ones who have not been transformed, who have not had transformed societies. Once societies are transformed, they will be able to solve this problem of hunger, famine, by themselves. Therefore what we need to look for are the transforming factors. What are these factors that can stimulate the transformation of society, as happened in Europe, from a pre-industrial society to an industrial society?

Those two words – “social transformation” – I recommend be introduced into our literature, if we are serious, because we cannot go on keeping a patient on life-support machines. Somebody is dead but he is only being kept alive by a life-support machine; he does not have his own internal viability. I always like to give the example of cotton. There are seven stages of handling the cotton crop. You grow the cotton, that is stage one. You gin the cotton, that means you separate the fibre from the seed. You weave the cotton into fabric, then you put in colours. Then you do the tailoring into garments, like the shirts we have on, and then you use the cotton seeds to make other products – cooking oil, vegetable oil for soap manufacture, animal feed and others; and even make gunpowder

from cotton. These are the seven stages of cotton. During most of the last century, Africa has been exporting cotton at only the second stage, i.e. after ginning the cotton. Once they separate the cotton from the fibre, Africans sell – at stage two. According to present-day prices, this will earn the country USD 1 per kilogram of cotton. However, if you went one step higher and spun the cotton into yarn, the value would go up three times. If you go up to weaving, the value will go up six times. If you go up to tailoring the garments, the value will go up ten times. Therefore, for much of the last century, for what Africa gets – one dollar per kilogram – somebody else in the world has been getting a total of 10 or 15 dollars from the same cotton because the Africans end at ginning, at stage two. They miss all the other stages in terms of value. Therefore, when we export lint cotton, meaning unprocessed cotton, we in effect donate about USD 10 per kilogram to the outside world. So Africans are the big donors. The biggest donors of the modern world are the Africans because they foolishly, unknowingly, donate USD 10-12 for each kilogram of cotton. What happens in cotton also happens in coffee and other things. Therefore, Africans are the biggest donors of the world today, and have been so for a long time. We not only donate money but we also donate jobs. Those jobs, the spinning jobs are exported; the weaving jobs are exported; the finishing jobs are exported; the tailoring jobs are exported; the other jobs linked to cotton-seed utilization are also exported. How, then, can we end hunger, famine and poverty if we do not process and market what we produce?

Uganda is a big producer of many agricultural crops: bananas, 10 million metric tons per annum; coffee, 4 million bags per annum; tea, 36 million kilograms; beef, 500 000 cattle slaughtered per annum; milk, 1.3 billion litres per annum. So production in Uganda is not a problem. Until recently, much of this was not being processed, with the exception of tea and sugar. We are now on the verge of achieving breakthroughs in a number of areas. All the same, on account of our previous efforts, Ugandan society and the economy are beginning to change. The figures show that, in 2005, industry accounts for 19% of GDP; and services are now 42% of GDP. This means that for the first time a bigger portion of GDP is comprised of industry and services. The figures also show that 74% of Ugandan households are still dependent on agriculture – but this means that another 26% are no longer dependent on agriculture. This is a big change from about 5% in 1986.

While recognizing that many factors are a prerequisite to progress, we need to realize that the elimination of hunger, famine and poverty equals production, processing in order to add value and marketing. I am totally convinced that without handling these three, especially the last two, you will not end poverty. All other aspects are important, e.g. research, irrigation, storage, transport, etc.; however, the master factors are production, processing and marketing.

Finally, I would like to point out that it is not correct to dichotomize the issues of hunger, famine and poverty into rural and other aspects. Correct handling dictates that the countryside interacts with the urban areas. The countryside produces raw materials; the urban areas turn them into finished products. The urban areas produce or import agricultural inputs for use by the countryside. If the countryside intensifies agricultural production by using improved seed, fertilizer and better agro-practices without the urban areas converting them into processed goods with a long shelf life, much of the effort will be wasted in the form of post-harvest losses.

Additionally, because many of the African countries are also small in terms of population, one of the problems of Africa has been “political Balkanization”. Africa has the largest number of countries in the world. If you look at the North American continent there are only three countries there – Canada, United States and Mexico – but Africa has 53 countries, so we are very rich in countries. That means that many of these countries have a small population so even if you increase agricultural production but have no processing to enable you to export, what will result will be an over-supply internally and a collapse of prices. Therefore, for the small economies of Africa, as we struggle to integrate the economies of Africa to have a bigger market, the other outlet is export and you cannot export unless you process.

There are other obstacles to exporting but we do not have time to deal with those, like protectionism in Europe and other distortions – those are also there. We should be aware of all these impediments in the struggle against hunger, famine and poverty. If you take Uganda as an example, of the 10 million metric tons of bananas produced in Uganda, 40% rots after the harvest. At last our scientists have found a way of converting bananas into flour and starch. This problem of wastage, therefore, will be solved.

In conclusion, I want to point out to you that IFAD has done a commendable job in increasing production in the rural areas where it has operated. Certainly in Uganda it has done that. We need to broaden its mandate to enable it to assist in processing and marketing. That is the way to end hunger, famine and poverty forever.

**Welcoming Statement by the President of IFAD,
Lennart Båge,
on the Occasion of the Visit of
His Excellency Guy Verhofstadt,
Prime Minister of the Kingdom of Belgium**

Distinguished delegates,

It is also a very great privilege and pleasure this morning to have the honour, on behalf of all of you, to welcome Prime Minister Verhofstadt to this Governing Council. Belgium is also an original member of the Fund and it has unfailingly shown its support through financial, technical and political support and guidance. Its involvement was further reinforced by the establishment of the Belgian Survival Fund Joint Programme twenty years ago. In fact, it is indeed fitting that you be present, Prime Minister, at this session at a time when the programme is celebrating its twentieth anniversary.

The collaboration born of this partnership has tackled a broad range of problems facing poor rural people in Africa. In Uganda there are particularly innovative projects supported by the Belgian Survival Fund. One is with the Ugandan Women's Effort to Save Orphans, a grass-roots non-governmental organization under the patronage of the First Lady of Uganda. Belgium's consistent solidarity in its multilateral commitment and focus on the importance of sustainable development is truly recognized and appreciated around the world.

Prime Minister Verhofstadt, your strong personal commitment to raise Belgian's development assistance to the 0.7% target of GDP and your strong efforts to promote an inclusive process of globalization that benefits all peoples makes you a leader in global development efforts. We are honoured to have you here today and we look forward to listening to your address.

**Keynote Address by His Excellency Guy Verhofstadt,
Prime Minister of the Kingdom of Belgium**

Mr President of the Republic of Uganda,
Madam,
Mr President of IFAD,
Honourable Guests,
Ladies and Gentlemen,

Thank you for inviting me to speak at this Twenty-Eighth Session of the Governing Council of IFAD. As Belgian Prime Minister, it gave me great pleasure to accept your kind invitation, because – as you know and as you have remembered – for many years Belgium has enjoyed a special relationship with your organization. Indeed this year we are commemorating the twentieth anniversary of the cooperation programme between IFAD and the Belgian Survival Fund that was launched in 1985. In my opinion, I think that this programme still remains a model for how intensely intergovernmental organizations and individual countries can work together on very concrete projects as we have already been doing for twenty years.

In 1983, Belgium's King Baudouin addressed the Seventh Session of the Governing Council of IFAD here in Rome. That royal address was an opportunity for the King himself not only to announce the creation of our Belgian Survival Fund, but also to underscore the importance of the close links between IFAD and the Survival Fund.

IFAD was the first – and for many years the major – partner organization to become involved with the Belgian Survival Fund, which received a cash injection of EUR 250 million in 1983 and further funding of EUR 250 million in 1999, of which 60% was allocated to IFAD. Over the past 20 years, the Belgian Survival Fund has taken part in 38 joint projects with IFAD, for a total value of more than EUR 103 million. To take just an example, President Museveni, as you know, the Belgian Survival Fund has contributed to five projects in Uganda. And I am also very proud to point out that Belgium participates in a significant way in the UWESO project (Uganda Women's Effort to Save Orphans) which you, Madam Museveni, founded and are sponsoring with so much dedication and efficiency.

So after all, I think that IFAD and the Belgian Survival Fund share the same development philosophy, a similar approach and intense cooperation between governmental, intergovernmental and non-governmental initiatives. I am thinking here of our integrated programmes for food security and integrated rural development, the complementary nature of soft loans and donations, our synergies in the field, and the high quality and sustainability of our projects. Long before “sustainable development” became a buzzword, we were working together to put in place a system of planned sustainability to provide millions of people with a more reliable food supply. I think that this cooperation and this work of IFAD served also as a model for the Millennium Development Goals of 2000.

Regrettably, the challenge we faced back in 1983 still looms as large as ever. In 1983, King Baudouin spoke of 9 million children dying every year from starvation and 500 million victims of undernourishment. But according to recent figures, 11 million children now die each year and there are over 800 million people in the world who have no idea where their next meal will come from.

Thankfully, in response to this situation, the Millennium Development Goals were formulated, as you know, in September 2000 – targets which have given us a clearer picture of the world we would like to see in the future and also of the resources we need to mobilize to achieve all these goals. As I mentioned, these are goals for which IFAD, the Food and Agriculture Organization of the United Nations, the World Food Programme and the Belgian Survival Fund have been collectively paving the way since the 1980s. The first of the eight Millennium Development Goals to be achieved by 2015 is

that of halving the number of people suffering from extreme poverty and starvation. Agricultural development – the very essence of the mission of IFAD – is naturally of crucial importance in this respect, as it directly and indirectly supports many of the other Millennium Development Goals. For instance, real progress in basic education will never be secured with empty stomachs. These Millennium Development Goals have the advantage of clarity. They show us the direction to take and for the first time ever we have criteria against which to measure our efforts and our progress. We also have a clearer idea now of what is to be done and what it will take to get there. And by reiterating these goals again and again, I think we condemn ourselves to making progress on them. An interim evaluation of these Millennium Development Goals prompts me to highlight three main challenges.

First of all, naturally, a development policy based on the Millennium Development Goals is quite clearly – we have to say it, we have to repeat it – a question of money. Let us not evade that sensitive issue. We, and here I am thinking primarily of the richer countries, must mobilize more resources to establish a sustainable development policy. Already 35 years ago the United Nations called upon countries to allocate 0.7% of their GDP to development cooperation. This remains a figure that only very few of us have managed to honour – as you know, the OECD average being just 0.3% for the year 2003. Actually, by then, only five countries on the world scale were able to achieve the target of 0.7% of GDP.

I can tell you that in that year, 2003, Belgium ranked sixth for the first time, averaging 0.61% of GDP, although honesty requires me to point out that this excellent grade was boosted by a one-off debt cancellation in favour of the Democratic Republic of the Congo. But we are now looking at ways to grant the same treatment to other countries in order to ultimately reach, in a structural way, the 0.7% rate by 2010. So the day we can all cross, and I say all cross, the 0.7% barrier, starting with the OECD and the European Union, we will have the necessary financial resources needed to attain our Millennium Development Goals.

Secondly, our fight against world hunger is also a question of organization and good governance. Far greater international and intergovernmental cooperation is needed; but in implementing our day-to-day development policy, national factors always outweigh by far international or supranational requirements. Even within the European Union we still have a great deal to achieve in terms of coordinated development cooperation. I think we must strive to formulate a European development policy that will enable us to increase the output and certainly also the efficiency of the 25 European Union Member States through better organization at the institutional level.

Thirdly – last but not least – we will only be able to achieve the Millennium Development Goals by mounting an offensive on all fronts, by adopting an integrated and a much more multisectoral approach that can combine and shore up all our efforts on the ground. Overcoming poverty requires several measures: rural development and urbanization, microcredits and also large-scale loans and donations, health and basic education, debt relief, aid and trade. Making sure that our various policies and instruments complement and reinforce each other – and that they do not contradict each other – is essential for good governance in the different international organizations.

We must transform these challenges into concrete actions. I think that this month provides us with an excellent opportunity in that respect because – as you are most probably aware – the American president, President Bush, will be visiting Brussels next Monday and one of the central themes of this visit will be the new strategic common agenda of Europe and the United States. During those talks in Brussels, it is my firm intention to put the Millennium Development Goals, and in particular poverty in Africa, amongst the top priority items on this new common strategic agenda.

What we can see is that we are still – I should say these past days and weeks – recovering from one of the greatest natural disasters in a century: the tsunami that occurred in the last week of 2004, claiming the lives of over 300 000 of the world's poorest people. That tidal wave should serve to remind

us just how vulnerable the poorest people are. But in response we also saw an unprecedented man-made wave of international solidarity, which was just as impressive and just as unexpected as the tsunami itself.

It is this second wave that we must bear in mind and, I think, also use to tackle the roots of poverty and hunger. As long as poverty and hunger continue to claim 40 times as many lives each year as a single major tsunami – and here I am referring to the figure of at least 11 million children who die in an average year in this world – we know precisely what we have to do. IFAD is, I think, ready for the challenge; its staff is ready and I think that the projects of IFAD prove that every day.

Thank you, and I wish you every success in this coming new year.

**Message of the Secretary-General of the United Nations,
Mr Kofi Annan,
delivered on his behalf by the
Chairperson of the Governing Council,
His Excellency Nelson Machado**

I am delighted to send my greetings and best wishes to this Twenty-Eighth Session of the Governing Council of the International Fund for Agricultural Development.

This year is a critical one to our work for development. In September, five years after the Millennium Summit in 2000, world leaders will meet at the United Nations to review progress towards reaching the Millennium Development Goals, and to identify ways to redouble those efforts. The report of the Millennium Project issued in January shows that, so far, progress remains uneven at best. While some countries in Asia have done exceptionally well, a number of others, especially in Africa, are lagging considerably behind the rate required to reach the goals. More than a billion people are still struggling to survive on less than one dollar per day. Three quarters of them live in rural areas, depending for their livelihood on agriculture, rural crafts, trade and other activities. Unless we can make a serious impact on rural poverty, we cannot achieve the Millennium Development Goals.

As the Millennium Project report underlined, we have an opportunity to reduce poverty rapidly. But to succeed, we also need substantial increases in official development assistance, debt relief and a productive outcome of the Doha Development Round. The United Nations family is fully committed to helping Member States achieve the MDGs, and to working as a coherent system towards that end. I am pleased that Lennart Båge, President of IFAD, has agreed to continue to serve as Chairman of our High-Level Committee on Programmes.

As the specialized United Nations agency mandated to combat rural poverty, IFAD has an important role to play in our collective efforts. Throughout the 27 years of its existence, IFAD has focused on helping poor rural producers, smallholder farmers and others, especially women, to build more productive and secure lives for themselves and for their families. IFAD has helped raise awareness and understanding about agriculture and rural development, and has generated insights into the institutional and policy framework needed to help reduce rural poverty more rapidly.

I look to your deliberations, and to other discussions leading up to the September summit, to give a decisive thrust to our common commitment to putting the MDGs fully on track. In that spirit, I wish you a successful Council.

**Statement by the President of IFAD,
Lennart Båge,
to the Twenty-Eighth Session of the Governing Council**

Your Excellencies,
Mrs Museveni,
Mr Chairman,
Distinguished Governors,
Ladies and gentlemen,

It is my great pleasure to welcome you to Rome and to the Twenty-Eighth Session of the Governing Council.

Nelson Mandela said earlier this month that “Like slavery and apartheid, poverty is not natural. It is man-made and can be overcome and eradicated by the actions of human beings. And overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life. While poverty persists, there is no true freedom.”

Mr Chairman,

We are deeply fortunate to have with us today leaders who have played a major part in the fight to end poverty: the President and First Lady of Uganda and the Prime Minister of Belgium. President Museveni’s leadership has made Uganda one of the most successful countries in the region in reducing poverty. Even more remarkably, Uganda has halted and even reversed its AIDS epidemic. We are also honoured by the presence of Prime Minister Verhofstadt. This underlines his and Belgium’s commitment to ending poverty and hunger and marks the twentieth anniversary of IFAD’s Joint Programme with the Belgian Survival Fund.

In adopting the Millennium Declaration, world leaders recognized that the eradication of poverty and hunger was the main challenge for humanity in the years ahead. In the four years since the Millennium Summit (as the Millennium Project report clearly shows), a number of countries are on track to reach the Millennium Development Goals. Yet many others, particularly in sub-Saharan Africa, are not. The report shows that of the world’s 1.1 billion extremely poor people, that is to say, those living on less than a dollar a day, 800 million – or a full three quarters of them – live in rural areas. These are the smallholder farmers, fishers, herders, landless and, above all, poor rural women who, tragically, account for a growing majority of the poor.

The key to achieving the MDGs is clear for everyone to see: progress in rural development. Without increased agricultural productivity, production and income, achievement of the MDGs will continue to be off track.

As the recent external evaluation of IFAD has recognized, IFAD is the only international organization established to focus exclusively on the situation of the rural poor. In fact, the evaluation notes that the problem IFAD was created to tackle continues, and is likely to continue in the foreseeable future. IFAD in this sense is a vital public good in the global quest to reach the MDGs.

Mr Chairman,

Over our 27 years of operations, the Fund has gained extensive experience in working with the rural poor, their communities and their institutions to find ways to help them build more productive

and secure lives. Today, IFAD has become a full-fledged development institution focused on rural poverty.

We focus on three primary objectives:

- we improve equitable access to land, water and other natural resources, as well as technology;
- we increase access to financial services and markets; and
- we strengthen the capacity of rural poor people and their organizations.

Our programmes stress gender equality, pay special attention to the needs of indigenous and marginalized groups, and emphasize environmental sustainability. “To reach the unreached and amplify the voice of the voiceless” is IFAD’s role. I am very pleased that we have had side events this year devoted to the perspectives of indigenous peoples and on farmers’ organizations. A significant part of our funding goes to rural finance and we are actively taking part in the International Year of Microcredit. In Latin America, for instance, access to microfinance is allowing poor recipients of remittances to save and invest part of these to improve their medium-term livelihoods.

We have today close to 200 ongoing programmes and projects. These are helping more than 100 million rural poor women and men to build better lives.

IFAD has invested almost 3 billion dollars in these activities. With cofinancing, that investment has been more than doubled to 6.1 billion dollars.

I am pleased to be able to say that IFAD is reaching more rural poor people than ever before.

We *are* moving in the right direction. In the Sixth Replenishment, we mobilized 20% more resources than in the previous replenishment.

In the past three years, we have increased our programme of work by 28%, reaching a record level of 500 million dollars a year. That would not have been possible had we not invested in reform in the institution, in financial management, in human resources, in operational quality, in policy development, in communication and in stronger oversight and evaluation of our programmes.

In the past few years, we have worked hard to strengthen our efficiency, transparency and impact. And a reinforced emphasis on policy dialogue and advocacy are helping us put agricultural and rural development issues on the global agenda.

We have developed a system of strategic guidance, comprising a strategic framework and regional and country programme strategies that drive pipeline development and our annual programme of work and budget.

We have further put in place a comprehensive system of measuring and monitoring results, impact and performance complemented by an independent Office of Evaluation.

We are focusing on field-level impact through more emphasis on field presence and on mainstreaming innovation.

We have strengthened our strategic planning, communication, policy and human resources capabilities. Furthermore, 40% of IFAD’s professional staff are now women.

Over the past four years, Distinguished Governors, we have begun a journey together to make IFAD a stronger institution to serve you as a partner in your fight against rural poverty and in your quest for development and human dignity for the forgotten rural poor.

IFAD's efforts in rural poverty reduction and rural development have been recognized. The Rural Poverty Report of 2001 made a major contribution to bringing rural development back onto the development agenda.

The draft report of the Independent External Evaluation tells us that we are on a par with other multilateral lending institutions and that most of our projects are successful. This is a good starting point when you consider that our programmes are implemented in some of the most remote and marginalized parts of the world. But this is not enough. We must and will do better.

I welcome the IEE, which will be completed in April. I am proud that we have undergone such a fully independent and transparent study of our impact, operations, governance and human resources management. Many of you will already have read or heard about its findings, because we shared all draft reports and responses widely among our staff and Board members.

Mr Chairman,

The initiatives of the last four years provide a solid basis for the future. IFAD itself is a unique partnership between developing, OPEC and OECD countries. The partnership has served the institution well and, in today's world, I believe that such a partnership is more valuable than ever. In the coming years, I will engage more profoundly and actively with **all** the groups of our membership. This partnership has to be nurtured and developed further so that we can achieve a higher replenishment and a larger programme of work. This has to be underpinned by an effective change programme to respond to emerging needs and opportunities.

In this respect, external evaluation is providing us with many valuable insights and recommendations on ways to enhance the institution.

We will respond fully to these.

We look forward to bringing a more detailed and comprehensive response to the IEE recommendations to the April 2005 session of the Executive Board.

For IFAD to do more, and to do better, I believe we must move forward on three major fronts.

First, we must expand our resources so that we can reach more people. I would like to see our programme of work grow by at least 10% a year. This Governing Council will establish the Consultation on the Seventh Replenishment of IFAD's Resources. We must ensure that we complete it in a timely fashion – by the end of this year – and achieve a substantially higher replenishment level.

Second, we must use these resources more effectively for greater and more sustainable impact. The key to impact is country ownership. We need to actively participate in the formulation and implementation of country-led and coordinated poverty reduction strategies and to harmonize our efforts on the basis of borrowing country priorities and processes. Within IFAD we will strengthen our country teams to be able to engage more actively at the country level in implementation support, policy dialogue and knowledge management. We will further strengthen our policy function and partnership-building.

In a rapidly changing environment, innovation is crucial. We will pursue innovation with our partners – to generate new solutions and to promote their replication and scaling up. Closely linked to innovation is a more systematic approach to knowledge management within the institution, but equally with our development partners.

Indeed, partnerships are the very foundation of our approach. We have long-standing and increasingly close collaboration with our sister UN agencies in Rome, other UN organizations, the World Bank and other multilateral financial institutions as well as with the Consultative Group on International Agricultural Research and the Global Environment Facility. We also have strong partnerships beyond the United Nations system with civil society and the private sector. With the International Land Coalition, for example, we help rural people gain access to land and natural resources. With the Global Mechanism, we are helping to implement the Convention to Combat Desertification. Cofinancing with the OPEC Fund is strong and continues to grow.

Our many bilateral partnerships include the long-standing one with the Belgian Survival Fund and the recent Initiative for Mainstreaming Innovation with the United Kingdom. Our key partnerships are, of course, with our borrowing member countries.

Third, we must strengthen the institution's ability to deliver more and better support. The devotion and commitment of staff to our shared goal of eradicating rural poverty and hunger is key. Their efforts have been tireless. In order to bring out the potential of every IFAD staff member, we will further strengthen our human resources system and capabilities. Training and recruitment are crucial for enhanced staff capacity. The diversity of IFAD's staff is a key strength of the institution to be maintained and enhanced.

We will develop further our performance reporting, quality assurance and self-evaluation systems.

We need to consolidate the gains of the past years in administrative reform and in human and financial resource development.

Building on the evaluation recommendations and on our own experience, we will bring forward a plan of action for the next four years – a plan that is carefully structured, managed and resourced. Lessons learned from implementation of the action plans from the Fifth and Sixth Replenishments and the Strategic Change Programme will be important.

Mr Chairman,

The tsunami that destroyed the lives of so many people in December underlines the vulnerability of the poor. Yet, the spontaneous outpouring of support shows not only generosity but our shared sense of humanity.

This disaster did not distinguish between rich and poor – all knew the pain of loss. But it is the poor who bear the heaviest burden since they have few assets.

At IFAD, we are working with our member countries to help tsunami-affected communities not only to rebuild, but to overcome the poverty that makes them so vulnerable in the first place.

Inevitably, the world will turn its attention elsewhere. When it does, we at IFAD will remain focused on the aftermath of this tsunami – and on the continuing tragedy of mass poverty and hunger.

Mr Chairman,

Every day, poor people around the world die from malnutrition, HIV/AIDS and other diseases, and conflict. More than 200 000 die each month from these causes in Africa alone. Natural disasters like the tsunami in Asia and hurricanes in Central America further deepen the chronic deprivation of hundreds of millions of others.

At the same time, it is a moment of promise. The Millennium Declaration and the MDGs have created an agreed international framework within which to eradicate poverty.

Like Uganda, many developing countries are showing strong determination to focus their energies, policies and resources on ending poverty, particularly by supporting more rapid rural development.

Like Belgium, many developed countries have pledged to increase their official development assistance substantially in the coming years.

Our resources for fighting poverty have expanded in the past four years. They must double in the future. This will not be achieved overnight. But the next few days will see the start of the process that will take us closer to that target.

In the past decade, the development community has not placed a great deal of attention on rural development. That was a mistake. But rural poverty is now at the heart of the world's quest to achieve the MDGs. The time is ripe to redress the balance.

IFAD's experience clearly demonstrates that poor people, given the opportunity, can raise their productivity and incomes and work their way out of poverty. Only one third of one per cent of official development assistance is channelled through IFAD. In the light of the MDG challenge and IFAD's capacity, we must ask ourselves today whether these are the right priorities. Can we – together as development partners – change this?

I believe we can, and must.

Together we can make rural poverty history.

Thank you.

**Message of The Honourable Gianfranco Fini, Deputy Prime
Minister and Minister for Foreign Affairs of the Republic of Italy,
delivered on his behalf by The Honourable Gianluigi Magri,
Governor of IFAD for Italy**

On behalf of the Italian Government, I would like to welcome you all to Rome and to this session of the Governing Council of IFAD.

I would like to address a special welcome to His Excellency Yoweri Kaguta Museveni, President of the Republic of Uganda, and to His Excellency Guy Verhofstadt, Prime Minister of the Kingdom of Belgium.

I am pleased to read a message on behalf of the Italian Minister for Foreign Affairs, Mr Gianfranco Fini, who wishes to express his appreciation for the invitation to attend this session of the Governing Council of IFAD but, due to previous formal engagements, cannot be present today:

“In the present phase of the international development strategies and renewed attention for the achievement of the Millennium Development Goals of the United Nations, I would like to confirm the commitment and support of Italy for the international organizations that most effectively work for the reduction of poverty and malnutrition.

The United Nations agencies of the food and agriculture cluster – FAO, IFAD and WFP – which we have the privilege of hosting in Rome, have a most challenging mandate. Italy, as part of its strong belief in the multilateral approach for development, is consistently making an effort to reinforce its collaboration with them in order to enhance the value of the technical, financial and nutritional assistance provided to developing countries.

Since the establishment of IFAD by the international community after the first World Food Conference, held in Rome in 1974, Italy has provided substantial support to the core resources of the Fund in recognition of the effectiveness and value added of its work towards the reduction of rural poverty. In addition, voluntary contributions have allowed the implementation of specifically targeted initiatives.

In 2005 the international community should pay special attention to concentrating development strategies and the valuable, but limited, resources towards the MDGs. In particular, the first Millennium Goal, the halving of poverty and hunger by 2015, should be pursued with determination.

In this year dedicated to microcredit, Italy would like to underline its participation in this development tool, particularly important for rural areas, with an additional contribution of 5 million euros in support of IFAD’s work in this field. It is our intention to allocate 30% of this contribution to the countries recently stricken by the devastating tsunami in the Indian Ocean.

May I express to IFAD and to all its member countries our best wishes for this session, with the strong hope that its deliberations will constitute the basis for a further strengthening of the Fund’s capability to assist the rural poor.”

I will now share some thoughts about IFAD in my capacity as Governor.

In recent years, there has been a major shift in the strategies of United Nations organizations and international financial institutions for tackling the increasingly serious problems associated with

poverty: low income levels, gender inequality, lack of education, disease and environmental degradation.

IFAD's role has changed considerably since the late 1970s, when its original mandate focused on the agricultural sector. In the early years, IFAD limited itself essentially to financing projects formulated by other organizations – interventions that were not necessarily aimed at assisting the most disadvantaged rural areas. As of the 1990s, however, IFAD became increasingly involved in project identification and concentrated on interventions that could have a major impact in terms of poverty reduction.

A critical element in this evolution was the growing awareness that no efforts to increase agricultural production would be sufficient to improve the lives of the poorest populations without a broader approach to resolving their problems, taking into account the overall economic situation, the role of markets, dialogue with institutions and the decentralization of administrative authority.

In this context, I wish to express our support for IFAD's programme of work for 2005 that was approved by the Executive Board and to applaud the organization's achievements in 2004. I also wish to congratulate President Båge and his staff for their excellent work in pursuing the Fund's objectives.

Italy's commitment

Italy is fully aware of the importance of providing the organization with sufficient resources to fulfil its mandate. On 19 January 2005, a decree-law was issued authorizing the release of Italy's contribution to the Sixth Replenishment of IFAD's Resources. The Parliament is expected to approve this decree-law very shortly.

I also wish to remind you of Italy's contribution to IFAD in connection with the Debt Initiative for Heavily Indebted Poor Countries. Italy has always backed IFAD's participation in the HIPC Trust Fund, which was established by the World Bank to support regional and subregional multilateral donors.

IFAD resources and structural initiatives

The Government of the Republic of Italy supports the Executive Board's decision to submit to this session of the Governing Council the draft resolution on the Seventh Replenishment of IFAD's Resources. Nonetheless, in line with the Monterrey Consensus, we maintain that instruments for international financial cooperation – whatever success they may have had in overcoming macroeconomic difficulties and in investing in major infrastructure in the developing world – are not sufficient in and of themselves to promote economic development in the poorest agricultural areas without larger structural interventions and greater liberalization of markets.

A key feature of IFAD's work is its investment programme geared towards promoting small-scale enterprises in rural areas. Since small agricultural producers are vulnerable to climatic vagaries and fluctuations in demand for their produce, the promotion of microenterprises may well create new engines of growth, which in turn may create work opportunities that will improve the lives of the most vulnerable sectors of the population: women, young people and the landless. In this connection, IFAD should perhaps devote more resources to developing microcredit instruments in rural areas.

Aid effectiveness

I will now turn to three initiatives for improving the effectiveness and distribution of the Fund's assistance, aligning its structures and operating regulations with those of the major international financial institutions.

First, we were pleased to take note of the transparent procedures for resource allocation based on beneficiary country performance.

We also take note of the advances made in the area of project evaluation. Now that detailed procedures for evaluating and reporting on the Fund's interventions have been established, we look forward to receiving a more in-depth analysis of project impact together with useful suggestions on the strategic orientation and management of IFAD's limited resources.

Finally, we support the Fund's efforts to strengthen its field presence in beneficiary countries in order that it may improve dialogue with local institutions and better monitor the various phases of project implementation.

I am sure that the synergy created by all these instruments with a view to increasing the effectiveness of aid will contribute to strengthening IFAD's role, promoting its image and enhancing its prestige.

**Message of the Director-General of the
Food and Agriculture Organization of the United Nations,
Mr Jacques Diouf,
delivered on his behalf by Mr David Harcharik,
Deputy Director-General**

Mr Chairperson,
Mr President,
Mr Executive Director,
Distinguished Delegates,
Ladies and Gentlemen,

It is a pleasure for me to be here today and to have the opportunity to address you on behalf of FAO. Unfortunately, prior commitments have prevented the Director-General from attending personally, but he has asked me to convey to you his greetings and to assure you of our strong commitment to working closely with IFAD, and with WFP, in the shared fight against hunger and poverty.

I am particularly pleased to note that since the Director-General's address to the Council just one year ago, FAO and IFAD have continued to broaden and deepen their collaboration.

Mr Chairperson,

I note that your agenda this year includes an interactive panel discussion on *Achieving the Millennium Development Goals: Rural Investment and Enabling Policy*. This theme will certainly illustrate the complementary mandates of FAO, IFAD and WFP and the close cooperation of our organizations.

The launch of the Millennium Project Report here in Rome last month, in fact, gave the three Rome-based United Nations agencies (FAO, IFAD and WFP) the opportunity to reaffirm the value of working together to realize the goals of the Millennium Declaration. During that event, a joint statement was issued in which we reiterated our commitment to enhance partnership and re-energize collaboration.

Our respective mandates link us most closely to the first Millennium Development Goal, that of reducing hunger and poverty by half. While there has been progress in some countries, globally over 850 million people remain chronically hungry. This number is now increasing after a decade of improvement. Hunger is not diminishing, it is on the rise. Each year, more than five million children die of causes directly related to malnutrition. I submit that this is a manifestation of the world community's collective failure to put in place policies and programmes with long-term vision. Greater investments are needed – greater investments to increase agriculture production and to develop rural financial, marketing and other essential services, backed by appropriate policy measures. I urge you to keep this in mind when considering IFAD's replenishment later this week. Overcoming poverty and hunger is not about maintaining the status quo. We must all do more. I hope that you will dig deep into your pockets in order to give IFAD the means to do more.

The MDGs can be realized only when poor, food-insecure people are supported in their struggle to emerge from hunger and poverty. Among the worst-off are those affected by recent natural disasters, and in particular the people who suffered from the floods and hurricanes in the Caribbean and Asia, from the locusts which devastated north-west Africa and the Sahel, and especially from the horrific tsunami which swept through the Indian Ocean. These are prominent cases where FAO and IFAD have demonstrated the benefits of close working relations.

For the desert locust emergency, IFAD technical assistance grants of USD 3 million were allocated so that FAO could help reinforce the monitoring of control measures and the assessment of their impact on the environment, as well as help develop a preventive locust control strategy based on biological control agents. On the response to the tsunami emergency, close collaboration has been established especially between the Asia Division of IFAD's Programme Management Department, and the Fisheries Department of FAO to share information and to complement each other's initiatives. Moreover, IFAD is undertaking a tsunami response needs assessment mission in partnership with the FAO Investment Centre.

But we are not focussing only on emergencies, and we have not forgotten the millions of others in dire need. FAO's Investment Centre, for example, continues to provide a wide range of technical support services to IFAD to promote investment in agriculture and rural development whenever it is needed; and there have been, in particular, some very interesting recent developments on the provision of FAO technical assistance in support of IFAD projects in Pakistan and in Kenya, as well as an increase in the various joint seminars and other events.

Implementation of the NEPAD-Comprehensive Africa Agriculture Development Programme also benefits from good collaboration between FAO and IFAD. The FAO Investment Centre, for example, supports the formulation of national medium-term investment programmes and bankable investment project profiles, which should soon be used by countries in their dialogue with bilateral and multilateral development partners, including IFAD.

There is also good collaboration between IFAD and FAO on African trypanosomiasis, farmers' field schools, and capacity-building in rural finance.

Mr Chairperson,

I could give other examples. But in the interest of time, let me conclude by assuring you that the collaboration between our two organizations, and with WFP, is not only better than ever, it is also very, very good. And, Lennart, much of this would not have been possible without your personal dedication and commitment to partnership. Congratulations, and many, many thanks.

On behalf of the Director-General, I wish the Council a most successful meeting.

**Message of the Executive Director of the
World Food Programme,
Mr James T. Morris,
delivered on his behalf by Mr Jean-Jacques Graisse,
Senior Deputy Executive Director**

Mr Chairman,
Mr President,
Excellencies,
Ladies and Gentlemen,

It is with great pleasure that I address the IFAD Governing Council on behalf of Jim Morris, our Executive Director, who regrets not being here in person. First of all, let me express my gratitude on behalf of WFP to Mr Lennart Båge for all your good work and for being such a good partner to WFP.

The Rome-based UN agencies delivered a message together at the launch of the Millennium Development Goals Report in January. We reiterated our common commitment to achieving Millennium Development Goals and spoke about the link between hunger and poverty. The MDG clock is ticking as we see Africa and some other parts of the world falling behind targets. 2005 may be a “make it or break it” year: if we are to honour the commitment to halve hunger and poverty by 2015, then a rapid scale-up is an imperative for all of us.

Hunger and poverty must be tackled together – as they are the cause and consequence of each other. In particular, the Rome-based agencies, who put the stress on the first Millennium Development Goal of hunger and poverty, have an extremely important task, since achieving the first goal leads up to or helps achieve the rest of them.

The reduction of both hunger and poverty has a beneficial effect on achieving other MDGs: food enables children to complete their schooling, brings down child mortality, improves maternal health, helps combat diseases.

Whereas we have a longer tradition in working with FAO, with IFAD we still have avenues to explore. In 2004, thirteen WFP country offices reported collaboration with IFAD on 14 different projects.

Last year, we helped rural populations in the dry zones of Sri Lanka, especially women, youth and people of low-caste origin. WFP and IFAD improved the living conditions of 80 000 families through teaching rain-fed farming methods, modernizing irrigation, increasing access to savings and credit, and enhancing market access.

WFP supports IFAD’s Participatory Irrigation Development Programme in the United Republic of Tanzania by providing participants with food in exchange for working on road construction. As of April 2004, 225 kilometres of roads linking villages to markets were under construction. Workers receive maize, pulses and cooking oil from WFP. The construction of market access roads facilitates both the delivery of farm inputs and the marketing of crops.

Our successful collaboration in China continued through 2004. Complementary WFP and IFAD interventions ensured that the poorest farmers have access to credit and rise above the poverty level. Since the partnership began in 2001, WFP contributed 410 000 tons of food valued at USD 69 million while IFAD mobilized USD 140 million in loans, combined with USD 250 million of Chinese contribution.

These are some recent examples of our collaboration in the field. At the headquarters level, our agencies try very often to speak with the same voice, be it in advocacy fora or during meetings and events within and out of the United Nations arena. All Rome-based agencies are part of the International Alliance Against Hunger, which aims to strengthen collaboration among the many groups committed to fighting hunger, including food producers and consumers, international organizations, governments, agribusinesses, scientists, academics, private individuals, policy-makers, religious groups and non-governmental organizations.

In addition to this unison of voices, which we support and value, we think it is essential for the Rome-based agencies to act jointly. Our experiences show us that our concerted efforts bring additional benefits to the people who need our help. Together, we can make the year 2005 a breakthrough year on our path toward achieving the MDGs.

Let me conclude by referring to those millions of children to which the Prime Minister of Belgium and Mr Harcharik referred today. Yes, we can do much together, but the world, which showed so much solidarity with the victims of the tsunami, must remain awake. Too many children, 25 000 of them, continue to die in silence from hunger-related causes every day. If television were there, especially in Africa, filming a Boeing 747 full of children crashing every half hour, would we not take another look at civil aviation? It is time to take another serious look at official development assistance.

**Achieving the Millennium Development Goals:
Rural Investment and Enabling Policy**

**Summary of the Panel Discussion
delivered by the Vice-Chairperson,
Her Excellency Nobuko Matsubara**

We had a very interesting and lively discussion on issues regarding investment and policy support for the rural sector and agriculture, especially smallholder agriculture. It was recognized that more rapid rural development was central to achieving the Millennium Development Goals. For that, investment would need to increase substantially both domestically and in the form of development assistance to rural development and agriculture, in order to promote broad-based economic growth. Fortunately, there are signs that changes in this direction are taking place, as demonstrated by the recent initiatives of many Governments and the recommendations of the Millennium Project Report. Investment is important but it is not enough. In order to bear fruit, it must be accompanied by enabling policies formulated in the light of individual country realities. It was stressed in this context that location-specific responses must be promoted as part of the effort to identify the most appropriate combination of resources and policies; smallholder agriculture was particularly emphasized.

It was further agreed that even the best combinations of national policies and investment need to have supportive international policies and trade regimes; in this connection, better access to external markets by poor producers is a key aspect. At the same time, it is necessary to provide transitional protection and public support so that smallholder farmers can maintain their livelihood and encourage private investment in the rural economy. When setting investment priorities during the formulation of national and international policies, the voice of the rural poor themselves must be heard. Civil society institutions, farmer's associations and organizations of rural poor people play a key role in making that voice heard and in supporting the development of pro-poor policies.

The Member States of IFAD are convinced that the MDGs can be achieved. Poverty, and its eradication, depends on human choices and human actions. It is up to us collectively – through investment, social dialogue and decisive action – to make rural poverty history.

**Statement by the Vice-Chairperson,
Her Excellency Nobuko Matsubara,
Closing the Twenty-Eighth Session of the Governing Council**

Mr President,
Distinguished Governors and Delegates,
Ladies and Gentlemen,

The time has come to draw the Twenty-Eighth Session of the Governing Council to a close. This session has been a landmark event in the history of the Fund, having dealt with matters of paramount importance to the future of the organization, most notably with the election of the President of IFAD and the establishment of the Consultation on the Seventh Replenishment of IFAD's Resources. The reappointment of President Båge and the reaffirmation of support for him by countries of all three Lists of IFAD were particularly notable.

This session will also remain in our memories thanks to the distinguished guests who honoured us with keynote speeches during the inaugural ceremony. The Council was especially honoured by the inspiring address of the President of the Republic of Uganda, His Excellency Yoweri Kaguta Museveni. Despite his elevated international standing, President Museveni has not lost sight of the realities faced by the poor. Under his leadership, Uganda has emerged as a strong example of Africa's capacity for growth and betterment. His emphasis on the need for an integrated approach to the problems of poverty in order to ensure sustainable development is a call to which we should all respond with our knowledge, experience and financial resources.

Prime Minister Guy Verhofstadt delivered an eloquent keynote speech that underlined the fundamental importance of partnerships and cooperation at all levels. He was outspoken in his call for unity, not only in the realm of the United Nations but also among governmental, intergovernmental and non-governmental organizations, if the Millennium Development Goals are to be achieved.

Governors welcomed the message of the Secretary-General of the United Nations, His Excellency Kofi Annan, which reiterated the importance of IFAD's role in combating rural poverty in the collective effort to achieve the Millennium Development Goals. The Secretary-General emphasized that 75% of the extremely poor live in rural areas and depend on agriculture-related activities for their livelihoods. Thus, to achieve the Millennium Development Goals a sustained reduction of rural poverty is essential. In his statement, President Båge highlighted the progress made by the organization over the past four years and described his plans to strengthen the institution and enlarge its programme of work to reach larger numbers of the rural poor in the coming four years.

We were privileged to hear the reiteration of support from IFAD's host country in the message of His Excellency Gianfranco Fini, Deputy Prime Minister and Minister for Foreign Affairs of the Republic of Italy, delivered on his behalf by His Excellency Gianluigi Magri. On behalf of my fellow Governors, I must express our appreciation to the Italian Government for the concrete expression of their commitment to the Fund as testified by the announcement of its intention to contribute an additional EUR 5 million in support of IFAD's work in the field of microcredit – an example which should lead us all to reflect and which we should all follow in this period of the Consultation on the Seventh Replenishment of IFAD's Resources.

At a time when 2015 seems so close and the Millennium Development Goals still so far, the messages of Mr Jacques Diouf, Director-General of the Food and Agriculture Organization of the United Nations, delivered on his behalf by Mr David Harcharik, and of Mr James Morris, Executive Director of the World Food Programme, brought to us by Mr Jean-Jacques Graisse, were indeed uplifting. The close collaboration between IFAD and its sister agencies in Rome, which is stronger

than ever, is reaping benefits for the poor and hungry across the world. The examples of successful joint ventures cited by both agencies prove that together we can prevail.

Despite geographical and cultural differences, Governors spoke as one in their support of the Fund's mandate, in their encouragement of the laudable work already being done and in their call for IFAD to persist in its efforts to rid humanity of the scourge of poverty.

The Council reappointed Mr Lennart Båge to a second four-year term of office as President of IFAD. Once again, on behalf of all those present, allow me to congratulate him and to pledge our unwavering support to his quest to render this Fund a more effective organization and a crucial actor in the achievement of the Millennium Development Goals.

Distinguished Governors,

The official business of this session began on a very positive note with the approval of the membership application of the Republic of Kiribati, which will become our 164th Member State. An entity is only as strong as the sum of its parts, and I am sure I speak on behalf of all Governors in welcoming this new Member into our midst.

Having listened to our Member States' messages of support, Governors then witnessed the positive financial implications contained in the report on the Sixth Replenishment of IFAD's Resources. The receipt of instruments of contribution and payments against pledges not supported by instruments of contribution now totals 87.6% of pledges, representing an increase of 21.3% since our last session. With payments totalling almost USD 270 million, which represents over 50% of pledges, the Fund has been enabled to increase its programme of work and, thus, its outreach to our ultimate beneficiaries – the rural poor.

This session was called upon to ensure that the success of the Sixth Replenishment be replicated and enlarged and that the Fund be in a position to increase the level of its operations. In this regard and recalling that the Sixth Replenishment period will conclude in December 2006, the Consultation on the Seventh Replenishment of IFAD's Resources was established. We have entrusted this task to the Members of the Consultation and I am certain I speak on behalf of all my fellow Governors in wishing them every success in the discharge of these functions.

The significance of this task cannot be stressed enough. We have heard it repeated throughout this session that the work of our Fund is of fundamental importance in ensuring that the Millennium Development Goals adopted by world leaders in 2000 do not remain only an aspiration. In this context, the declaration of the Prime Minister of Belgium that his country intends to work towards achieving the 0.7% official development assistance target was noted with appreciation. It is time for all of us to translate our words into action and ensure the resources necessary for IFAD to do what it does best – enabling the rural poor to overcome poverty.

The Governing Council approved the administrative budget of IFAD and its independent Office of Evaluation for 2005. A special expenditure for IFAD's new headquarters was also approved, and I would like to take this opportunity to express our deep appreciation to the Italian Government for making it possible for IFAD finally to have an official headquarters located in a single building: this will increase not only the staff's security but also the efficiency and effectiveness of the organization as a whole.

The Council was presented with a comprehensive report on the progress made in implementing the Performance-Based Allocation System within IFAD and welcomed the results of the first annual performance assessment and resource allocation cycle.

The report on the progress of the Fund's Strategic Change Programme provided an update on the new direction taken by the programme subsequent to its recalibration and its effective implementation as a result of the review of its activities undertaken in 2004.

The International Land Coalition brought us the lessons learned from its activities in 2004 and highlighted the continued need of the rural poor for secure access to land and the opportunity to influence policy decisions at national and international levels. The Global Mechanism of the Convention to Combat Desertification also reported on its operational activities in 2004, outlining the achievements to date in partnership-building and resource mobilization within the framework of the Global Mechanism's 2003-2006 business plan.

Distinguished Governors,

I would like to express my appreciation for having been honoured with the duty of serving on the Bureau of the Governing Council. I thank the Chairman and my fellow Vice-Chairman for the excellent collaboration within which we have collectively presided over these past two sessions and I thank you, fellow Governors, for having so graciously facilitated our work.

All our thanks should go to the staff of IFAD, who have all worked so diligently in organizing this conference in such an excellent way. I might add here that the members of the voting and counting committees should take particular pride in having so efficiently carried out such a stressing and delicate duty. A special note of thanks goes as well to all those behind the scenes without whom no conference could function, not the least of which the interpreters and technical staff, and of course those who are visible in such a discreet way, the conference messengers.

I once again congratulate President Båge on his reappointment and on the extraordinary amount of work that has already gone into his first term of office. These past four years have seen many changes in the organization and in its operational practices – a sign of vision at the very top: a vision this Council has chosen to endorse by ensuring that Mr Båge can continue to lead towards a stronger and more effective organization with the support of its Member States.

Ladies and Gentlemen,

An organization's history is made up of many turning points, and this session of the Governing Council has shown the importance each of these can have on its very foundation and on its future. Our work must continue with the Seventh Replenishment exercise and only by increasing the organization's resources, and thus its operations, can we provide the means by which IFAD can carry out its mandate to the fullest. Let us not forget this mandate – “enabling the rural poor to overcome poverty” – it is our mandate, our responsibility, our pledge to the beneficiaries. Let us act on it!

On that note, I hereby close the Twenty-Eighth Session of the Governing Council.

ANNEX I

a

IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Governing Council – Twenty-Eighth Session
Rome, 16-17 February 2005

**قائمة بالمشاركين في الدورة الثامنة والعشرين
لمجلس المحافظين**

**LIST OF PARTICIPANTS AT THE TWENTY-EIGHTH SESSION
OF THE GOVERNING COUNCIL**

**LISTE DES PARTICIPANTS A LA VINGT-HUITIEME SESSION
DU CONSEIL DES GOUVERNEURS**

**LISTA DE LOS PARTICIPANTES EN EL 28º PERÍODO DE SESIONES
DEL CONSEJO DE GOBERNADORES**

رئيس المجلس:

Chairperson:

Président:

Presidente:

Nelson Machado (Brazil)

نيلسون ماشادو (البرازيل)

نائب رئيس المجلس:

Vice-Chairpersons:

Vice-Présidents:

Vicepresidentes:

Nobuko Matsubara (Japan)

نوبوكو ماتسوبارا (اليابان)

Seraj Addin S.A. Essa (Libyan Arab Jamahiriya)

سراج الدين ساسي عيسى (الجمهورية العربية الليبية)

الدول الأعضاء

MEMBER STATES

ÉTATS MEMBRES

ESTADOS MIEMBROS

AFGHANISTAN

Governor	Mostapha ZAHER Ambassador Permanent Representative of the Islamic Republic of Afghanistan to IFAD Rome
Alternate Governor	Abdul Razak AYAZI Agricultural Attaché Alternate Permanent Representative of the Islamic Republic of Afghanistan to IFAD Rome

ALBANIA

Governor	Agron DUKA Minister for Agriculture and Food Tirana
Alternate Governor	Pavli ZERI Ambassador of the Republic of Albania to the United Nations Food and Agriculture Agencies Rome
Adviser	Arben MOLLA Director Project Coordination Ministry of Agriculture and Food Tirana

ALBANIA (continued)

Adviser	Vera CARA Second Secretary Alternate Permanent Representative of the Republic of Albania to the United Nations Food and Agriculture Agencies Rome
---------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------

ALGERIA

Gouverneur	Said BARKAT Ministre de l'agriculture et du développement rural Alger
Gouverneur suppléant	Mokhtar REGUIEG Ambassadeur de la République algérienne démocratique et populaire auprès du FIDA Rome
Conseiller	Larbi BOUMAZA Directeur d'études Direction générale du budget Ministère des finances Alger
Conseiller	Idir BAIS Directeur de la programmation, des investissements et des études économiques Ministère de l'agriculture et du développement rural Alger
Conseiller	Nasr-Eddine RIMOUCHE Ministre plénipotentiaire Représentant permanent adjoint de la République algérienne démocratique et populaire auprès du FIDA Rome

ALGERIA (continued)

Conseiller
Habiba DJERIR
Secrétaire diplomatique
Représentant permanent suppléant
de la République algérienne
démocratique et populaire
auprès du FIDA
Rome

Conseiller
Rafik MOUDACHE
Attaché diplomatique
Chargé du Dossier du
Fond international pour le
développement rural
Direction générale pour les
relations multilatérales
Ministère des affaires étrangères
Alger

Conseiller
Ait-Amer AOMAR MEZIANE
Directeur d'études
Ministère de l'agriculture et
du développement rural
Alger

ANGOLA

Gouverneur
Gilberto Buta LUTUCUTA
Ministre de l'agriculture et
du développement rural
Luanda

Gouverneur suppléant
(provisoire)
Isabel Mercedes DA SILVA FEIJÓ
Ministre Conseiller
Chargé d'affaires, a.i.
Représentant permanent adjoint
de la République d'Angola
auprès du FIDA
Rome

Conseiller
Afonso Pedro CANGA
Directeur général
Institut du développement agraire
Ministère de l'agriculture et
du développement rural
Luanda

ANNEX I

ANGOLA (continued)

Conseiller	Pedro Agostinho KANGA Directeur de Cabinet Coopération internationale Ministère de l'agriculture et du développement rural Luanda
Conseiller	Tobias LOPES Directeur adjoint Cabinet du Ministre de l'agriculture et du développement rural Luanda
Conseiller	Kiala Kia MATEVA Conseiller Représentant permanent adjoint de la République d'Angola auprès du FIDA Rome
Conseiller	Carlos Alberto AMARAL Conseiller Représentant permanent suppléant de la République d'Angola auprès du FIDA Rome

ARGENTINA

Gobernador	Victorio María José TACCETTI Embajador de la República Argentina ante el FIDA Roma
Gobernador Suplente	Hilda GABARDINI Ministra Representante Permanente Adjunta de la República Argentina ante el FIDA Roma

ANNEX I

AUSTRIA

Alternate Governor	Herbert JÄGER Minister Embassy of the Republic of Austria Rome
Adviser	Klaus OEHLER Deputy Director International Finance Institutions Federal Ministry of Finance Vienna

AZERBAIJAN

Governor	Emil Zulfugar Oglu KARIMOV Ambassador of the Republic of Azerbaijan to IFAD Roma
Alternate Governor (acting)	Arif ABBASOV Third Secretary Embassy of the Republic of Azerbaijan Roma

BANGLADESH

Governor	M. Saifur RAHMAN Minister for Finance and Planning Dhaka
Alternate Governor (acting)	Anwarul Bar CHOWDHURY Ambassador Permanent Representative of the People's Republic of Bangladesh to IFAD Rome
Adviser	Nasrin AKHTER Counsellor (Economic Affairs) Alternate Permanent Representative of the People's Republic of Bangladesh to IFAD Rome

ANNEX I

BELGIUM

Gouverneur	Jean DE RUYT Ambassadeur du Royaume de Belgique auprès du FIDA Rome
Gouverneur suppléant	Philip HEUTS Conseiller Coopération internationale Représentant permanent suppléant du Royaume de Belgique auprès du FIDA Rome
Conseiller	Christian PANNEELS Conseiller Chef de la Direction des Programmes multilatéraux et européens Direction générale de la Coopération au développement Service public fédéral des affaires étrangères du Royaume de Belgique Bruxelles
Conseiller	John CORNET D'ELZIUS Ministre Conseiller Affaires multilatérales Représentant permanent adjoint du Royaume de Belgique auprès du FIDA Rome
Conseiller	Dirk TEERLINCK Chef du service Fonds de survie Direction générale de la Coopération au développement Service public fédéral des affaires étrangères du Royaume de Belgique Bruxelles

BELIZE

Governor (acting)	Nunzio D'ANGIERI Ambassador of Belize to Italy Rome
----------------------	--------------------------------------------------------------

ANNEX I

BENIN

Gouverneur
(provisoire)

Gaston C. DOSSOUHOU
Directeur de Cabinet
Ministère de l'agriculture,
de l'élevage et de la pêche
Cotonou

Conseiller

Sébastien ADJAHATODE
Directeur de la Programmation
et de la prospective
Ministère de l'agriculture,
de l'élevage et de la pêche
Cotonou

Conseiller

Abdoulaye Soulé MANIGUI
Directeur de l'agriculture
Ministère de l'agriculture,
de l'élevage et de la pêche
Cotonou

BHUTAN

Governor

Sangay NGEDUP
Minister for Agriculture
Thimphu

Adviser

Tenzin CHOPHEL
Planning Officer
Planning and Policy Division
Ministry of Agriculture
Thimphu

Adviser

Chitem TENZIN
First Secretary
Permanent Mission of the Kingdom
of Bhutan to the United Nations
Geneva

BOLIVIA

Gobernador

Moira PAZ ESTENSSORO
Embajadora de la República
de Bolivia ante el FIDA
Roma

ANNEX I

BOLIVIA (continued)

Gobernador Suplente	Freddy ABASTOFLOR CÓRDOVA Ministro Consejero Representante Permanente Alterno de la República de Bolivia ante el FIDA Roma
---------------------	-------------------------------------------------------------------------------------------------------------------------------------------

BOSNIA AND HERZEGOVINA

Governor	Lukša ŠOLJAN Ambassador of Bosnia and Herzegovina to the United Nations Agencies for Food and Agriculture Rome
----------	----------------------------------------------------------------------------------------------------------------------------

Alternate Governor	Sabahka RADJO Minister Counsellor Alternate Permanent Representative of Bosnia and Herzegovina to the United Nations Agencies for Food and Agriculture Rome
--------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

BRAZIL

Governor (acting)	Nelson MACHADO Minister of State for Planning, Budget and Management, a.i. Brasilia, D.F.
----------------------	----------------------------------------------------------------------------------------------------

Alternate Governor	José Carlos DA ROCHA MIRANDA Secretary of International Affairs Ministry of Planning, Budget and Management Brasilia, D.F.
--------------------	----------------------------------------------------------------------------------------------------------------------------------------

Adviser	Guilherme CASSEL Vice-Minister for Agrarian Development Brasilia, D.F.
---------	------------------------------------------------------------------------------

Adviser	Flávio MIRAGAIA PERRI Ambassador of the Federative Republic of Brazil to IFAD Rome
---------	---------------------------------------------------------------------------------------------

BRAZIL (continued)

Adviser
Maria Theresa LAZARO
Minister Counsellor
Deputy Permanent Representative
of the Federative Republic
of Brazil to IFAD
Rome

Adviser
Celso MENDES DE CARVALHO
International Adviser
Ministry of Agrarian Development
Brasilia, D.F.

BURKINA FASO

Gouverneur
(provisoire)
Salif DIALLO
Ministre d'État
Ministre de l'agriculture, de l'hydraulique
et des ressources halieutiques
Ouagadougou

Gouverneur suppléant
Mamadou SISSOKO
Ambassadeur du Burkina Faso
auprès du FIDA
Rome

Conseiller
Barthélémy YAMEOGO
Ministre Conseiller
Représentant permanent suppléant
du Burkina Faso auprès du FIDA
Rome

Conseiller
Boubakar CISSÉ
Conseiller économique
Représentant permanent adjoint
du Burkina Faso auprès du FIDA
Rome

BURUNDI

Gouverneur
(provisoire)
Faustin NDISABIYE
Ambassadeur de la République
du Burundi en Italie
Rome

ANNEX I

BURUNDI (continued)

Conseiller	Ernest NDABASHINZE Conseiller Ambassade de la République du Burundi Rome
------------	--------------------------------------------------------------------------------------

CAMEROON

Gouverneur	Abdoulaye ABOUBAKARY Secrétaire d'État au Ministère de l'agriculture et du développement rural Yaoundé
------------	--------------------------------------------------------------------------------------------------------------------

Gouverneur suppléant	Michael TABONG KIMA Ambassadeur de la République du Cameroun auprès du FIDA Rome
----------------------	-------------------------------------------------------------------------------------------

Conseiller	Médi MOUNGUI Deuxième Conseiller Représentant permanent adjoint de la République du Cameroun auprès du FIDA Rome
------------	---------------------------------------------------------------------------------------------------------------------------------

CANADA

Alternate Governor	Roger EHRHARDT Director-General International Financial Institutions Division Multilateral Programmes Branch Canadian International Development Agency Gatineau, Québec
--------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Adviser	Yvon MARSOLAIS Senior Programme Manager International Financial Institutions Division Multilateral Programmes Branch Canadian International Development Agency Gatineau, Québec
---------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

ANNEX I

CANADA (continued)

Adviser James MELANSON
Counsellor
Deputy Permanent Representative
of Canada to the United Nations
Food and Agriculture Agencies
Rome

Adviser Charles PARKER
Counsellor (Development)
Alternate Permanent Representative
of Canada to the United Nations
Food and Agriculture Agencies
Rome

CHAD

Gouverneur Laokein MEDARD
Ministre de l'agriculture
N'Djaména

CHILE

Gobernador Eduardo ARAYA ALEMPARTE
Embajador de la República de Chile
ante el FIDA
Roma

Asesor Sergio INSUNZA
Agregado
Representante Permanente Alterno
de la República de Chile
ante el FIDA
Roma

CHINA

Governor LI Yong
Vice-Minister for Finance
Beijing

Alternate Governor
(acting) ZHANG Wencai
Deputy Director-General
Ministry of Finance
Beijing

ANNEX I

CHINA (continued)

Adviser	MA Shiqing Minister Plenipotentiary Permanent Representative of the People's Republic of China to the United Nations Agencies for Food and Agriculture Rome
Adviser	HU Yanan Counsellor Alternate Permanent Representative of the People's Republic of China to the United Nations Agencies for Food and Agriculture Rome
Adviser	WANG Bing Director Ministry of Finance Beijing
Adviser	WANG Xiaolong Director Ministry of Finance Beijing
Adviser	DING Guoguang Director Agricultural Department Ministry of Finance Beijing
Adviser	YE Anping First Secretary Alternate Permanent Representative of the People's Republic of China to the United Nations Agencies for Food and Agriculture Rome
Adviser	WU Wenzhi Deputy Director Ministry of Finance Beijing

CHINA (continued)

Adviser
CHENG Zhijun
Secretary
Ministry of Finance
Beijing

Adviser
LI Qian
Project Officer
Ministry of Finance
Beijing

COLOMBIA

Gobernador
(interino)
Juan Carlos SÁNCHEZ FRANCO
Primer Secretario
Representante Permanente Alterno
de la República de Colombia
ante el FIDA
Roma

CONGO

Gouverneur
Jeanne DAMBENDZET
Ministre de l'agriculture, de l'élevage
et de la pêche
Brazzaville

Gouverneur suppléant
Mamadou KAMARA DEKAMO
Ambassadeur de la République du Congo
auprès du FIDA
Rome

Conseiller
Rufin Gabriel AMBERO
Ministre Conseiller
Représentant permanent adjoint
de la République du Congo
auprès du FIDA
Rome

Conseiller
Emile ESSEMA
Deuxième Conseiller
Représentant permanent adjoint
de la République du Congo
auprès du FIDA
Rome

CONGO (continued)

Conseiller	Irène IBARA Coordinatrice du Project FIDA Brazzaville
Conseiller	Sébastien Magloire NSE Directeur général du Projet d'appui à la commercialisation et aux initiatives locales Ministère de l'agriculture, de l'élevage et de la pêche Brazzaville
Conseiller	Guy Jean-Claude OKOULATSONGO Premier Secrétaire Ambassade de la République du Congo Rome
Conseiller	Mylène ITOUA Attachée de presse Rome

COSTA RICA

Gobernador	Victoria GUARDIA ALVARADO DE HERNÁNDEZ Embajadora de la República de Costa Rica ante el FIDA Roma
Gobernador Suplente	Yolanda GAGO PÉREZ Ministra Consejera Representante Permanente Alterna de la República de Costa Rica ante el FIDA Roma

CÔTE D'IVOIRE

Gouverneur (provisoire)	Richard Gbaka ZADY Ambassadeur de la République de Côte d'Ivoire auprès des organisations spécialisées des Nations Unies Rome
----------------------------	----------------------------------------------------------------------------------------------------------------------------------------------

CÔTE D'IVOIRE (continued)

Gouverneur suppléant (provisoire)	Aboubakar BAKAYOKO Conseiller Représentant permanent adjoint de la République de Côte d'Ivoire auprès des organisations spécialisées des Nations Unies Rome
--------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

CROATIA

Alternate Governor	Vlado MATIJASIC Counsellor Alternate Permanent Representative of the Republic of Croatia to the United Nations Agencies for Food and Agriculture Rome
--------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Adviser	Zlata PENIC-IVANKO First Secretary Alternate Permanent Representative of the Republic of Croatia to the United Nations Agencies for Food and Agriculture Rome
---------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

CUBA

Gobernador Suplente	Alfredo Néstor PUIG PINO Embajador de la República de Cuba ante los Organismos de las Naciones Unidas Roma
---------------------	------------------------------------------------------------------------------------------------------------------------

CYPRUS

Alternate Governor	Gabriel ODYSSEOS Agricultural Attaché Alternate Permanent Representative of the Republic of Cyprus to the United Nations Agencies for Food and Agriculture Rome
--------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

ANNEX I

DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

Governor	KIM Yong Suk Vice-Minister for Agriculture Pyongyang
Alternate Governor	CHOE Taek San Ambassador of the Democratic People's Republic of Korea to IFAD Rome
Adviser	YUN Su Chang Minister Deputy Permanent Representative of the Democratic People's Republic of Korea to IFAD Rome
Adviser	JONG Sun Won Secretary-General National Committee of the Democratic People's Republic of Korea for FAO Ministry of Foreign Affairs Pyongyang
Adviser	RI Yong Ho Second Secretary Alternate Permanent Representative of the Democratic People's Republic of Korea to IFAD Rome

DEMOCRATIC REPUBLIC OF THE CONGO

Gouverneur suppléant (provisoire)	Edouard Uмба ILUNGA Ambassadeur de la République démocratique du Congo auprès des organisations spécialisées des Nations Unies Rome
--------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------

DEMOCRATIC REPUBLIC OF THE CONGO (continued)

Conseiller
Innocent MOKOSA MANDENDE
Ministre Conseiller
Représentant permanent adjoint de la
République démocratique du Congo
auprès des organisations
spécialisées des Nations Unies
Rome

Conseiller
Ngoie LUBEMBEY BENOÎT
Premier Secrétaire
Ambassade de la République
démocratique du Congo
Rome

DENMARK

Governor
(acting)
Kristian HØJERSHOLT
Minister
Deputy Permanent Representative
of the Kingdom of Denmark to IFAD
Rome

Adviser
Jakob SMITH MADSEN
Attaché
The Royal Danish Embassy
Rome

DJIBOUTI

Gouverneur
Dini Abdallah BILILIS
Ministre de l'agriculture,
de l'élevage et de la mer
chargé des Ressources
hydrauliques
Djibouti

Gouverneur suppléant
(provisoire)
Djama Mahamoud DOUALEH
Secrétaire général
Ministère de l'agriculture
de l'élevage et de la mer
Djibouti

ANNEX I

DJIBOUTI (continued)

Conseiller	Awes A. AWES Officier du Protocole Consulat de la République de Djibouti Rome
------------	-------------------------------------------------------------------------------------------

DOMINICAN REPUBLIC

Gobernador	Mario ARVELO CAAMAÑO Embajador Representante Permanente de la República Dominicana ante el FIDA Roma
------------	---------------------------------------------------------------------------------------------------------------------

ECUADOR

Gobernador	Emilio IZQUIERDO MIÑO Embajador de la República del Ecuador ante los Organismos de las Naciones Unidas Roma
------------	-------------------------------------------------------------------------------------------------------------------------

Gobernador Suplente	Sandro CELI Primer Secretario Representante Permanente Alternativo de la República del Ecuador ante los Organismos de las Naciones Unidas Roma
---------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------

EGYPT

Governor	Ahmed Abdelmoneim ALLEITHY Minister for Agriculture and Land Reclamation Cairo
----------	-----------------------------------------------------------------------------------------

Alternate Governor	Helmy Abdel Hamid BEDEIR Ambassador of the Arab Republic of Egypt to the United Nations Food and Agriculture Agencies Rome
--------------------	----------------------------------------------------------------------------------------------------------------------------------------

ANNEX I

EGYPT (continued)

Adviser	Abdel Azim AL-TANTAWY Head of the Agricultural Research Center Ministry of Agriculture and Land Reclamation Cairo
Adviser	Mariam MOUSSA Minister Plenipotentiary for Agricultural Affairs Deputy Permanent Representative of the Arab Republic of Egypt to the United Nations Food and Agriculture Agencies Rome
Adviser	Yasser SOUROUR Second Secretary Embassy of the Arab Republic of Egypt Rome

EL SALVADOR

Gobernador (interino)	María Eulalia JIMÉNEZ ZEPEDA Ministra Consejera Representante Permanente Adjunta de la República de El Salvador ante el FIDA Roma
--------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------

ERITREA

Governor	Arefaine BERHE Minister for Agriculture Asmara
Alternate Governor	Zemedet TEKLE WOLDETATIOS Ambassador of the State of Eritrea to Italy Rome

ANNEX I

ERITREA (continued)

Adviser
Yohannes TENSUE
First Secretary
Alternate Permanent Representative
of the State of Eritrea to IFAD
Rome

ETHIOPIA

Alternate Governor
Mengistu HULLUKA DEYAS
Ambassador of the Federal
Democratic Republic of Ethiopia
to IFAD
Rome

Adviser
Eshetu YISMA
First Secretary
Head of Political Affairs
Embassy of the Federal Democratic
Republic of Ethiopia
Rome

FINLAND

Governor
Hannu KYRÖLÄINEN
Director-General
Department for Global Affairs
Ministry of Foreign Affairs
Helsinki

Adviser
Kari JANTUNEN
Counsellor
Unit for Development
Financing Institutions
Department of Global Affairs
Ministry of Foreign Affairs
Helsinki

Adviser
Heidi PIHLATIE
Minister Counsellor
Permanent Representative
of the Republic of Finland
to the United Nations Food
and Agriculture Agencies
Rome

FINLAND (continued)

Adviser
Kaisa KARTTUNEN
Counsellor (Agriculture)
Deputy Permanent Representative
of the Republic of Finland
to the United Nations Food
and Agriculture Agencies
Rome

FRANCE

Gouverneur
Odile RENAUD-BASSO
Chef du Service des affaires
européennes et internationales
Direction du Trésor
Ministère de l'économie,
des finances et de l'industrie
Paris

Conseiller
Alain GUILLOUËT
Ministre Conseiller
Chef de la Mission économique
Ambassade de France en Suisse
Berne

Conseiller
Sophie DE-CASTELNAU
Adjoint au Chef de Bureau
Aide au développement
Institutions multilatérales de développement
Direction du Trésor
Ministère de l'économie,
des finances et de l'industrie
Paris

Conseiller
Marie-Paule FONTAINE
Deuxième Secrétaire
Représentant permanent adjoint
de la République française auprès de
l'Organisation des Nations Unies pour
l'alimentation et l'agriculture
Rome

GABON

Gouverneur
Faustin BOUKOUBI
Ministre de l'agriculture, de l'élevage
et du développement rural
Libreville

ANNEX I

GABON (continued)

Gouverneur suppléant	Yolande BIVIGOU Directeur national des projets FIDA Ministère de l'agriculture, de l'élevage et du développement rural Libreville
Conseiller	Vincent BOULÉ Ambassadeur de la République gabonaise auprès du FIDA Rome
Conseiller	Ivone Alves DIAS DA GRAÇA Premier Conseiller Représentant permanent adjoint de la République gabonaise auprès du FIDA Rome
Conseiller	Louis Stanislas CHARICAUTH Conseiller Représentant permanent suppléant de la République gabonaise auprès du FIDA Rome
Conseiller	Jean-Pierre LEGUAMA Assistant du Ministre de l'agriculture, de l'élevage et du développement rural Libreville

GAMBIA

Alternate Governor	Yusupha ALIEU KAH Ambassador of the Republic of the Gambia to IFAD Brussels
--------------------	--------------------------------------------------------------------------------------

GEORGIA

Governor (acting)	Nugzar SARJVELADZE First Deputy Minister for Agriculture Tbilisi
----------------------	---------------------------------------------------------------------------

GEORGIA (continued)

Alternate Governor	Zaal GOGSADZE Ambassador of Georgia to IFAD Rome
Adviser	Noe KHOZREVANIDZE Director Rural Development Programme for Mountainous and Highland Areas Ministry of Agriculture Tbilisi
Adviser	Zurab ALEKSIDZE Counsellor Deputy Permanent Representative of Georgia to IFAD Rome

GERMANY

Governor	Michael HOFMANN Director-General Federal Ministry of Economic Cooperation and Development Bonn
Adviser	Sebastian PAUST Head of Division Regional Development Banks Federal Ministry of Economic Cooperation and Development Bonn
Adviser	Andreas VON BRANDT Assistant Head of Division United Nations/Economic and Development Affairs Federal Ministry of Foreign Affairs Berlin
Adviser	Bernd DUNNZLAFF Counsellor Alternate Permanent Representative of the Federal Republic of Germany to IFAD Rome

ANNEX I

GERMANY (continued)

Adviser
Heiner THOFERN
First Counsellor
Deputy Permanent Representative
of the Federal Republic of Germany
to IFAD
Rome

GHANA

Alternate Governor
Kofi DSANE-SELBY
Ambassador of the Republic
of Ghana to IFAD
Rome

Adviser
Kwaku NICOL
Minister Counsellor
Alternate Permanent Representative
of the Republic of Ghana to IFAD
Rome

Adviser
Mallam Issah SEIDU
Director
Ministry of Food and
Agriculture
Accra

GREECE

Alternate Governor
Emmanuel MANOUSSAKIS
Minister Plenipotentiary
for Agricultural Affairs
Alternate Permanent Representative
of the Hellenic Republic to IFAD
Rome

GUATEMALA

Gobernador
(interino)
César FIÓN
Viceministro de Seguridad Alimentaria
Ministerio de Agricultura, Ganadería
y Alimentación
Ciudad de Guatemala

ANNEX I

GUATEMALA (continued)

Gobernador Suplente (interino)	Francisco BONIFAZ RODRÍGUEZ Embajador de la República de Guatemala ante los Organismos de las Naciones Unidas Roma
Asesor	Armando PALOMO Jefe de Cooperación Externa Ministerio de Agricultura, Ganadería y Alimentación Ciudad de Guatemala
Asesor	Héctor Raúl HERNÁNDEZ FIGUEROA Gerente General Fideicomiso para la Inversión Rural Ministerio de Agricultura, Ganadería y Alimentación Ciudad de Guatemala
Asesor	Fernando MOLINA Ministro Consejero Representante Permanente Alterno de la República de Guatemala ante los Organismos de las Naciones Unidas Roma
Asesor	Alejandro VELA Ministro Consejero Representante Permanente Alterno de la República de Guatemala ante los Organismos de las Naciones Unidas Roma
Asesor	Ileana RIVERA DE ANGOTTI Primera Secretaria Embajada de la República de Guatemala ante la Santa Sede Roma

GUINEA

Gouverneur	Jean Paul SARR Ministre de l'agriculture et de l'élevage Conakry
------------	---------------------------------------------------------------------------

ANNEX I

GUINEA (continued)

Conseiller Thierno M. CELLOU DIALLO
Ambassadeur de la République
de Guinée auprès du FIDA
Rome

Conseiller Jean Baptiste GROVUGUI
Conseiller politique
Ambassade de la République
de Guinée
Rome

HAITI

Gouverneur Philippe MATHIEU
Ministre de l'agriculture,
des ressources naturelles
et du développement rural
Port-au-Prince

Gouverneur suppléant Franck HYPPOLITE
Directeur général adjoint
Planification et
Coopération externe
Ministère de l'agriculture,
des ressources naturelles
et du développement rural
Port-au-Prince

Conseiller Eucher-Luc JOSEPH
Ministre Conseiller
Chargé d'affaires, a.i.
Représentant permanent adjoint
de la République d'Haïti auprès
des organisations spécialisées
des Nations Unies
Rome

Conseiller Patrick SAINT-HILAIRE
Premier Secrétaire
Représentant permanent suppléant
de la République d'Haïti auprès
des organisations spécialisées
des Nations Unies
Rome

ANNEX I

HONDURAS

Gobernador
Mariano JIMÉNEZ TALAVERA
Secretario de Estado en el Despacho
de Agricultura y Ganadería
Tegucigalpa, D.C.

ICELAND

Governor
Jón Erlingur JÓNASSON
Counsellor
Political Department
Multilateral Development Co-operation
Ministry of Foreign Affairs
Reykjavik

INDIA

Alternate Governor
Sudhir Gunvantrai MANKAD
Additional Secretary (Fund Banking)
Department of Economic Affairs
Ministry of Finance
New Delhi

Adviser
Govindan NAIR
Minister (Agriculture)
Alternate Permanent Representative
of the Republic of India to the
United Nations Food and
Agriculture Agencies
Rome

INDONESIA

Governor
(acting)
Daeng M. NAZIER
Expert Staff to the Minister for Finance
for Economic and Finance Relations
Department of Finance
Jakarta

Alternate Governor
Djafar HUSEIN
Deputy Chief of Mission
Chargé d'affaires a.i.
Embassy of the Republic
of Indonesia
Rome

INDONESIA (continued)

Adviser	Jannes HUTAGALUNG Expert Staff to the Minister for Finance for Debt Management Department of Finance Jakarta
Adviser	Natigor SIAGIAN Assistant Minister for Agriculture for International Cooperation Department of Agriculture Jakarta
Adviser	Hardjowirjono MARWANTO Director Bureau of International Cooperation Department of Finance Jakarta
Adviser	Esti ANDAYANI Director for Commodity and Standardization Directorate General of Multilateral Affairs on Economy, Finance and Development Department of Foreign Affairs Jakarta
Adviser	Mr SOEDJATMIKO Minister Counsellor Embassy of the Republic of Indonesia Rome
Adviser	Irdamis AHMAD Minister Counsellor Alternate Permanent Representative of the Republic of Indonesia to IFAD Rome
Adviser	Ito Mukti SETIARTO Head of the Multilateral Division Bureau of International Cooperation Department of Agriculture Jakarta

INDONESIA (continued)

Adviser	Mr RUDJIMIN Third Secretary Alternate Permanent Representative of the Republic of Indonesia to IFAD Rome
Adviser	Sunggul SINAGA Agricultural Attaché Alternate Permanent Representative of the Republic of Indonesia to IFAD Rome
Adviser	Yuwono Samodra ARDIANTO Head of Section for International Food and Agriculture Organizations Directorate of Commodity and Standardization Department of Foreign Affairs Jakarta

IRAN (ISLAMIC REPUBLIC OF)

Governor (acting)	Mohammad Saeed NOURI-NAEENI Ambassador of the Islamic Republic of Iran to the United Nations Agencies for Food and Agriculture Rome
Alternate Governor (acting)	Farhad Sanami KHEIRI Alternate Permanent Representative of the Islamic Republic of Iran to the United Nations Agencies for Food and Agriculture Rome

IRAQ

Governor (acting)	Akram AL-JAFF Ambassador of the Republic of Iraq to IFAD Rome
----------------------	---------------------------------------------------------------------------

ANNEX I

IRELAND

Governor	John Francis COGAN Ambassador of Ireland to the United Nations Agencies for Food and Agriculture Rome
Alternate Governor	Padraic DEMPSEY First Secretary (Agriculture) Alternate Permanent Representative of Ireland to the United Nations Agencies for Food and Agriculture Rome
Adviser	Earnan O'CLEIRIGH Senior Development Specialist Development Cooperation Division Department of Foreign Affairs Dublin

ISRAEL

Governor	Ehud GOL Ambassador Permanent Representative of the State of Israel to the United Nations Agencies for Food and Agriculture Rome
Alternate Governor	Denis-Paul MORDEHAY-RODGOLD Counsellor Alternate Permanent Representative of the State of Israel to the United Nations Agencies for Food and Agriculture Rome

ITALY

Gouverneur	Gianluigi MAGRI Sous-Secrétaire d'État Ministère de l'économie et des finances Rome
------------	-------------------------------------------------------------------------------------------------

ANNEX I

ITALY (continued)

Conseiller	Romualdo BETTINI Ambassadeur Représentant permanent de la République italienne auprès du FIDA Rome
Conseiller	Pablo FACCHINEI Fonctionnaire Service chargé des Banques de développement multilatéral Département du Trésor Ministère de l'économie et des finances Rome
Conseiller	Danila MALVOLI Fonctionnaire Bureau du Sous-Secrétaire d'État Ministère de l'économie et des finances Rome
Conseiller	Gaetano D'ONOFRIO Fonctionnaire Service chargé des Banques de développement multilatéral Département du Trésor Ministère de l'économie et des finances Rome
Conseiller	Daniele ROSATI Consultant IAO Coordination FAO/IFAD/PAM Direction générale de la coopération économique et financière multilatérale Ministère des affaires étrangères Rome
Conseiller	Augusto ZODDA Directeur général Affaires générales, personnel et processus organisationnels Département du Trésor Ministère de l'économie et des finances Rome

ITALY (continued)

Conseiller	Eugenio CAMPO Ministre plénipotentiaire responsable de la coordination multilatéral Direction générale de la coopération au développement Ministère des affaires étrangères Rome
Conseiller	Paolo DUCCI Ambassadeur responsable de la coordination FAO/IFAD/PAM Direction générale de la coopération économique et financière multilatérale Ministère des affaires étrangères Rome
Conseiller	Massimo LAVEZZO CASSINELLI Premier Conseiller Représentant permanent adjoint de la République italienne auprès du FIDA Rome

JAMAICA

Governor (acting)	Salvatore ALFANO Consul of Jamaica Rome
----------------------	-----------------------------------------------

JAPAN

Governor	Nobuko MATSUBARA Ambassador of Japan to Italy Rome
Alternate Governor (acting)	Kazumi ENDO Counsellor Deputy Permanent Representative of Japan to the United Nations Food and Agriculture Agencies Rome

ANNEX I

JORDAN

Governor (acting)	Akef AL-ZOUBI Secretary-General Ministry of Agriculture Amman
Alternate Governor (acting)	Muwaffaq AJLOUNI Minister Plenipotentiary Alternate Permanent Representative of the Hashemite Kingdom of Jordan to the United Nations Agencies for Food and Agriculture Rome
Adviser	Radi ALTARAWNEH Assistant to the Secretary-General for Agricultural Projects and Extension Ministry of Agriculture Amman
Adviser	Mahmoud AL-SHALAN Director Arab and Islamic Institutions Department Ministry of Planning and International Cooperation Amman

KAZAKHSTAN

Governor (acting)	Sayan SHARAPIEV Second Secretary Embassy of the Republic of Kazakhstan Rome
----------------------	-----------------------------------------------------------------------------------------

KENYA

Governor	Kipruto Rono ARAP KIRWA Minister for Agriculture Nairobi
Adviser	Bruce Misoga MADETE Ambassador of the Republic of Kenya to IFAD Rome

KENYA (continued)

Adviser	Omnrembe IYADI Managing Director Agricultural Finance Corporation Ministry of Agriculture Nairobi
Adviser	Susan MURIUKI Deputy Director of Agriculture Ministry of Agriculture Nairobi
Adviser	Joseph K. MBURU Agricultural Attaché Alternate Permanent Representative of the Republic of Kenya to IFAD Rome

KUWAIT

Governor (acting)	Hesham I. AL-WAQAYAN Deputy Director-General Operations and Disbursement Kuwait Fund for Arab Economic Development Kuwait City
Alternate Governor (acting)	Lamya AHMED AL-SAQQAF Permanent Representative of the State of Kuwait to the United Nations Food and Agriculture Agencies Rome
Adviser	Anwar KALANDER Director of Public Affairs Embassy of the State of Kuwait Rome

LEBANON

Gouverneur (provisoire)	Gloria ABOU ZEID Directeur exécutif du Plan vert Ministère de l'agriculture Beyrouth
----------------------------	-----------------------------------------------------------------------------------------------

ANNEX I

LIBYAN ARAB JAMAHIRIYA

Governor (acting)	Seraj Addin S.A. ESSA Counsellor Alternate Permanent Representative of the Socialist People's Libyan Arab Jamahiriya to IFAD Rome
----------------------	--------------------------------------------------------------------------------------------------------------------------------------------------

LUXEMBOURG

Gouverneur (provisoire)	Georges HEINEN Directeur Financement du développement multilatéral Ministère des finances Luxembourg-Ville
----------------------------	---------------------------------------------------------------------------------------------------------------------------

Conseiller	Catherine DECKER Chargée de Mission Ambassade du Grand-Duché de Luxembourg Rome
------------	---------------------------------------------------------------------------------------------

MADAGASCAR

Gouverneur suppléant	Auguste Richard PARAINA Ambassadeur de la République de Madagascar auprès des organisations spécialisées des Nations Unies Rome
----------------------	---------------------------------------------------------------------------------------------------------------------------------------------

Conseiller	Monsieur MONJA Conseiller Représentant permanent adjoint de la République de Madagascar auprès des organisations spécialisées des Nations Unies Rome
------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Conseiller	Jean Claude DAMA RAKOTONDRASEDO Conseiller Représentant permanent suppléant de la République de Madagascar auprès des organisations spécialisées des Nations Unies Rome
------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

ANNEX I

MALAYSIA

Alternate Governor	Lily ZACHARIAH Ambassador of Malaysia to the United Nations Agencies for Food and Agriculture Rome
Adviser	Hendy ASSAN Counsellor Alternate Permanent Representative of Malaysia to the United Nations Agencies for Food and Agriculture Rome
Adviser	Johari RAMLI Agricultural Attaché Alternate Permanent Representative of Malaysia to the United Nations Agencies for Food and Agriculture Rome
Adviser	Muhamad Nahar BIN JH. MOHD SIDEK Assistant Agricultural Attaché Alternate Permanent Representative of Malaysia to the United Nations Agencies for Food and Agriculture Rome

MALDIVES

Governor	Abdullah KAMALUDEEN Minister for Fisheries, Agriculture and Marine Resources Malé
Adviser	Mohamed ZUHAIR Director-General Ministry of Fisheries, Agriculture and Marine Resources Malé
Adviser	Faathin HAMEED Assistant Director-General Ministry of Fisheries, Agriculture and Marine Resources Malé

ANNEX I

MALI

Gouverneur	Seydou TRAORÉ Ministre de l'agriculture Bamako
Gouverneur suppléant	Ibrahim Bocar DAGA Ambassadeur de la République du Mali auprès du FIDA Rome
Conseiller	Modibo Mahamane TOURÉ Deuxième Conseiller Représentant permanent suppléant de la République du Mali auprès du FIDA Rome
Conseiller	Fousseyni DIARRA Conseiller technique Ministère de l'agriculture Bamako
Conseiller	Mamadou NADIO Coordinateur national des Projets et Programmes FIDA au Mali Ministère de l'agriculture Bamako
Conseiller	Zana COULIBALY Directeur du Projet de diversification des revenus en zone non cotonnière Mali-Sud Ministère de l'agriculture Bamako
Conseiller	Hamzata Moussa DIALLO Directeur du Projet de développement dans la zone lacustre Phase II Niafunké Ministère de l'agriculture Bamako

MALTA

Governor	Abraham BORG Ambassador of the Republic of Malta to IFAD Rome
----------	------------------------------------------------------------------------

ANNEX I

MALTA (continued)

Alternate Governor	Pierre HILI First Secretary Alternate Permanent Representative of the Republic of Malta to IFAD Rome
--------------------	------------------------------------------------------------------------------------------------------------------

MAURITANIA

Gouverneur suppléant	Yahya N'GAM Ambassadeur de la République islamique de Mauritanie auprès du FIDA Rome
Conseiller	Limam Ahmed Ould MOHAMEDOU Chef du Service de la Coopération économique Ministère des affaires économiques et du développement Nouakchott
Conseiller	Amadou TIDJANE KANE Premier Conseiller Représentant permanent adjoint de la République islamique de Mauritanie auprès du FIDA Rome

MAURITIUS

Alternate Governor	Denis CANGY Consul of the Republic of Mauritius Rome
--------------------	---------------------------------------------------------------

MEXICO

Gobernador	Rafael TOVAR Y DE TERESA Embajador de los Estados Unidos Mexicanos ante el FIDA Roma
------------	-----------------------------------------------------------------------------------------------

ANNEX I

MEXICO (continued)

Gobernador Suplente
V́ctor Hugo MORALES MELÉNDEZ
Ministro
Representante Permanente Adjunto
de los Estados Unidos Mexicanos
ante el FIDA
Roma

Asesor
Luz Estela SANTOS MALDONADO
Consejero
Representante Permanente Alterno
de los Estados Unidos Mexicanos
ante el FIDA
Roma

MONGOLIA

Governor
Dendev TERBISHDAGVA
Minister for Food
and Agriculture
Ulaanbaatar

Adviser
Daydu DALANTAINYAM
Director
Programme Support Unit
of Reduction Programme
Ministry of Food and Agriculture
Ulaanbaatar

Adviser
Daria TSENGEL
Attaché
Permanent Mission of Mongolia
to the United Nations
Geneva

MOROCCO

Gouverneur
Moha MARGHI
Secrétaire général
Ministère de l'agriculture,
du développement rural
et des pêches maritimes
Rome

ANNEX I

MOROCCO (continued)

Gouverneur suppléant	Ali LAMRANI Chef de la Division financière Ministère des finances et de la privatisation Rabat
Conseiller	Tajeddine BADDOU Ambassadeur du Royaume du Maroc auprès du FIDA Rome
Conseiller	Ahmed FAOUZI Ministre plénipotentiaire Représentant permanent adjoint du Royaume du Maroc auprès du FIDA Rome

MOZAMBIQUE

Governor (acting)	António PINTO DE ABREU Executive Director Banco de Mozambique Maputo
Adviser	Gabriel Angelo TEMBE National Director of Rural Development Ministry of Agriculture Maputo
Adviser	Maria Otilia M. SANTOS Deputy National Director of Treasury Ministry of Finance Maputo
Adviser	Carla Elisa MUCAVI First Secretary Alternate Permanent Representative of the Republic of Mozambique to the United Nations Agencies for Food and Agriculture Rome

ANNEX I

MYANMAR

Alternate Governor
(acting)

Khin MAUNG AYE
Ambassador of the Union
of Myanmar to IFAD
Rome

Adviser

Aung MYINT
Minister Counsellor
Alternate Permanent Representative
of the Union of Myanmar to IFAD
Rome

NAMIBIA

Governor

Percy Wachata MISIKA
Minister Counsellor (Agriculture)
Permanent Representative of the
Republic of Namibia to IFAD
Paris

NETHERLANDS

Governor
(acting)

Ewald WERMUTH
Ambassador of the Kingdom of
the Netherlands to the United Nations
Organizations for Food and Agriculture
Rome

Alternate Governor
(acting)

Jeroen T.M.G. STEEGHS
Counsellor
Deputy Permanent Representative
of the Kingdom of the Netherlands
to the United Nations Organizations
for Food and Agriculture
Rome

Adviser

Anushka SWALEF
Second Secretary
Alternate Permanent Representative
of the Kingdom of the Netherlands
to the United Nations Organizations
for Food and Agriculture
Rome

NETHERLANDS (continued)

Adviser	Laura BINS Policy Adviser Coordination and Institutional Affairs Division United Nations and International Financial Institutions Department Ministry of Foreign Affairs Rome
---------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

NEW ZEALAND

Alternate Governor	Tiffany BABINGTON First Secretary Alternate Permanent Representative of New Zealand to the United Nations Agencies for Food and Agriculture Rome
--------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------

NICARAGUA

Gobernador	José CUADRA CHAMORRO Embajador de la República de Nicaragua ante el FIDA Roma
Gobernador Suplente	Amelia Silvia CABRERA Ministra Consejera Representante Permanente Adjunta de la República de Nicaragua ante el FIDA Roma

NIGER

Gouverneur	Ausseil Mireille FATOUMA Ambassadeur de la République du Niger auprès du FIDA Rome
Conseiller	Adam MAÏGA ZAKARIAOU Conseiller Représentant permanent adjoint de la République du Niger auprès du FIDA Rome

ANNEX I

NIGERIA

Governor (acting)	Adamu BELLO Federal Minister for Agriculture and Rural Development Abuja
Alternate Governor (acting)	O. O. O. OGUNKUA Permanent Secretary Federal Ministry of Agriculture and Rural Development Abuja
Adviser	Gabriel LOMBIN Minister Permanent Representative of the Federal Republic of Nigeria to the United Nations Agencies for Food and Agriculture Rome
Adviser	Mallam Baba FADA Director for Agriculture Federal Ministry of Agriculture and Rural Development Abuja
Adviser	Suleiman KASSIM Director Multilateral Institutions Department Federal Ministry of Finance Abuja
Adviser	Oluwole Samuel ADERBIGBE Deputy Director Federal Ministry of Finance Abuja
Adviser	Baba Gana ALKALI Special Assistant to the Federal Minister for Agriculture and Rural Development Abuja
Adviser	Salisu INGAWA Director Project Monitoring Unit Federal Ministry of Agriculture and Rural Development Abuja

ANNEX I

NIGERIA (continued)

Adviser
Nura ABUBAKAR
IFAD Projects Coordinator
Federal Ministry of Agriculture
and Rural Development
Abuja

NORWAY

Alternate Governor
Ingrid GLAD
Assistant Director-General
Department of Multilateral Affairs
Ministry of Foreign Affairs
Oslo

Adviser
Torgeir FYHRI
Senior Executive Officer
Ministry of Foreign Affairs
Oslo

Adviser
Margaret SLETTEVOLD
Minister Counsellor
Permanent Representative of the
Kingdom of Norway to IFAD
Rome

Adviser
Daniel VAN GILST
Second Secretary
Deputy Permanent Representative
of the Kingdom of Norway to IFAD
Rome

Adviser
Karl KOFOED
Second Secretary
Royal Norwegian Embassy
Rome

OMAN

Governor
Khalfan Bin Saleh Mohammed AL NAEBI
Under-Secretary
Ministry of Agriculture
and Fisheries
Muscat

ANNEX I

OMAN (continued)

Adviser	Hafidh Bin Hamad AL RAWAHI First Secretary Alternate Permanent Representative of the Sultanate of Oman to IFAD Rome
Adviser	Habib A. HASNI Director International Relations Department Ministry of Agriculture and Fisheries Muscat
Adviser	Rasmi MAHMOUD Technical Adviser Embassy of the Sultanate of Oman Rome

PAKISTAN

Governor	Sikandar Hayat KHAN BOSAN Federal Minister for Food, Agriculture and Livestock Islamabad
Alternate Governor	Mirza Qamar BEG Ambassador of the Islamic Republic of Pakistan to the United Nations Agencies for Food and Agriculture Rome
Adviser	Ilamuddin MALIK Personal assistant to the Agricultural Counsellor Embassy of the Islamic Republic of Pakistan Rome

ANNEX I

PANAMA

Gobernador Suplente
Horacio J. MALTEZ
Ministro Consejero
Encargado de Negocios, a.i.
Representante Permanente Adjunto de la
República de Panamá ante el FIDA
Roma

PARAGUAY

Gobernador
Jorge FIGUEREDO FRATTA
Embajador de la República del Paraguay
ante el FIDA
Roma

Gobernador Suplente
Ana María BAIARDI QUESNEL
Ministra
Representante Permanente Adjunta
de la República del Paraguay
ante el FIDA
Roma

PERU

Gobernador
Harold FORSYTH MEJÍA
Embajador de la República del Perú
ante el FIDA
Roma

Asesor
Oswaldo DEL ÁGUILA RAMÍREZ
Consejero
Representante Permanente Alterno
de la República del Perú
ante el FIDA
Roma

PHILIPPINES

Governor
(acting)
Philippe J. LHUILLIER
Ambassador of the Republic
of the Philippines to IFAD
Rome

ANNEX I

PHILIPPINES (continued)

Alternate Governor (acting)	Noel D. DE LUNA Agricultural Attaché Deputy Permanent Representative of the Republic of the Philippines to IFAD Rome
--------------------------------	-------------------------------------------------------------------------------------------------------------------------------------

PORTUGAL

Governor	Carlos Manuel Inácio FIGUEIREDO National Institute for Agricultural Support Ministry of Agriculture, Rural Development and Fisheries Lisbon
----------	------------------------------------------------------------------------------------------------------------------------------------------------------------

Alternate Governor	Carlos Manuel DOS SANTOS FIGUEIREDO Head of Department Coordination of International Relations General Directorate for European and International Affairs Ministry of Finance Lisbon
--------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Adviser	João Miguel FREITAS Agricultural Counsellor Deputy Permanent Representative of the Portuguese Republic to the United Nations Agencies for Food and Agriculture Rome
---------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

QATAR

Governor	Hassan Dhabit AL-DOUSARI Minister for Municipal Affairs and Agriculture Rome
----------	---------------------------------------------------------------------------------------

Alternate Governor	Ali Fahad AL-HAJRI Ambassador of the State of Qatar to IFAD Rome
--------------------	---------------------------------------------------------------------------

ANNEX I

QATAR (continued)

Adviser	Mohamed Bin Fahad AL-FIHANI Under-Secretary for Agricultural Affairs Ministry of Municipal Affairs and Agriculture Doha
Adviser	Ali Mohamed JABOR AL-KUBAISI Director Department for Agricultural Development Ministry of Municipal Affairs and Agriculture Doha
Adviser	Ahmed Ibrahim AL ABDULLA Counsellor Alternate Permanent Representative of the State of Qatar to IFAD Rome
Adviser	Walid Bin Fahad AL-MANAAI Acting Director of the Minister for Municipal Affairs and Agriculture Doha
Adviser	Ali Jaber SOROR Public Relations Ministry of Municipal Affairs and Agriculture Doha
Adviser	Abdulla Ibrahim AL-UBAIDL Special Assistant to the Minister for Municipal Affairs and Agriculture Doha
Adviser	Akeel HATOOR Adviser Embassy of the State of Qatar Rome

ANNEX I

REPUBLIC OF KOREA

Governor (acting)	KIM Kyung-surk Minister Embassy of the Republic of Korea Rome
Alternate Governor (acting)	OH Kyung-tae Director Multilateral Cooperation Division Ministry of Agriculture and Forestry Gyeonggi
Adviser	KIM Chang-hyun First Secretary Agricultural Attaché Alternate Permanent Representative of the Republic of Korea to IFAD Rome
Adviser	JEONG Hyun-chul Deputy Director Multilateral Cooperation Division Ministry of Agriculture and Forestry Gyeonggi

REPUBLIC OF MOLDOVA

Alternate Governor	Lilia RAZLOG Director Public Debt Department Ministry of Finance Chisinau
Adviser	Igor POIA Second Secretary Embassy of the Republic of Moldova Rome

ANNEX I

ROMANIA

Gouverneur	Nicolae Flaviu LAZIN Secrétaire d'État Ministère de l'agriculture, des forêts et du développement rural Bucarest
Gouverneur suppléant	Cristian Valentin COLTEANU Ambassadeur de la Roumanie auprès du FIDA Rome
Conseiller	Gabriela DUMITRIU Conseiller Représentante permanente adjointe de la Roumanie auprès du FIDA Rome

RWANDA

Gouverneur (provisoire)	Daphrose GAHAKWA Ministre d'État chargée de l'agriculture Ministère de l'agriculture et de l'élevage Kigali
Conseiller	Eric RWABIDADI Responsable du Bureau de Liaison du FIDA Ministère de l'agriculture et de l'élevage Kigali

SAUDI ARABIA

Governor (acting)	Ahmad Ben Souleiman AL-AQUIL Minister Plenipotentiary Permanent Representative of the Kingdom of Saudi Arabia to FAO Rome
----------------------	---------------------------------------------------------------------------------------------------------------------------------------

SAUDI ARABIA (continued)

Alternate Governor (acting)	Bandar AL-SHALHOOB Counsellor Alternate Permanent Representative of the Kingdom of Saudi Arabia to FAO Rome
--------------------------------	----------------------------------------------------------------------------------------------------------------------------

SENEGAL

Gouverneur suppléant	Momar GUEYE Ambassadeur de la République du Sénégal auprès des organisations spécialisées des Nations Unies Rome
----------------------	------------------------------------------------------------------------------------------------------------------------------

Conseiller	Moussa Bocar LY Ministre Conseiller Représentant permanent adjoint de la République du Sénégal auprès des organisations spécialisées des Nations Unies Rome
------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Conseiller	Moussa BAKHAYOKHO Conseiller technique Ministère de l'agriculture et de l'hydraulique Dakar
------------	---------------------------------------------------------------------------------------------------------

SOMALIA

Governor	Hassan Mohamed NOOR Minister for Agriculture Nairobi
----------	------------------------------------------------------------

Adviser	Hilal Mohamed ADEN Agricultural Programme Adviser Ministry of Agriculture Rome
---------	-----------------------------------------------------------------------------------------

Adviser	Abbas Musse FARAH Ambassador of the Somali Republic to IFAD Rome
---------	---------------------------------------------------------------------------

ANNEX I

SOUTH AFRICA

Alternate Governor

Margaret MOHAPI
First Secretary
Alternate Permanent Representative
of the Republic of South Africa
to the United Nations Agencies
for Food and Agriculture
Rome

Adviser

Catharina DU TOIT
First Secretary
Alternate Permanent Representative
of the Republic of South Africa
to the United Nations Agencies
for Food and Agriculture
Rome

SPAIN

Gobernador

Eduardo IBÁÑEZ LÓPEZ-DORIGA
Ministro Consejero
Embajada de España
Roma

Gobernador Suplente

Luis CUESTA CIVÍS
Primer Secretario
Embajada de España
Roma

SRI LANKA

Governor

E. Rodney M. PERERA
Ambassador of the Democratic
Socialist Republic of Sri Lanka
to IFAD
Rome

Alternate Governor

Niluka KADURUGAMUWA
Second Secretary
Embassy of the Democratic
Socialist Republic of Sri Lanka
Rome

ANNEX I

SWEDEN (continued)

Adviser	Ann UUSTALU Minister Permanent Representative of the Kingdom Sweden to IFAD Rome
Adviser	Staffan WRIGSTAD Ambassador of the Kingdom of Sweden to Italy Rome
Adviser	Carl-Johan GROTH Ambassador Department for Global Development Ministry of Foreign Affairs Stockholm
Adviser	Susanne JACOBSSON Senior Adviser Department for Global Development Ministry of Foreign Affairs Stockholm
Adviser	Margaretha ARNESSON-CIOTTI Programme Officer Royal Swedish Embassy Rome
Adviser	Petter NILSSON Junior Officer Royal Swedish Embassy Rome

SWITZERLAND

Gouverneur	Serge CHAPPATTE Directeur général adjoint Direction du développement et de la coopération Département fédéral des affaires étrangères Berne
------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------

ANNEX I

SWITZERLAND (continued)

Conseiller	Lothar CAVIEZEL Ministre Représentant permanent de la Confédération suisse auprès du FIDA Rome
Conseiller	Franz HOSSLI Responsable du Programme Section des Institutions financières internationales Direction du développement et de la coopération Département fédéral des affaires étrangères Berne

SYRIAN ARAB REPUBLIC

Governor	Adel SAFAR Minister for Agriculture and Agrarian Reform Damascus
Alternate Governor (acting)	Samir AL-KASSIR Ambassador of the Syrian Arab Republic to IFAD Rome
Adviser	Nabi Rachid MOHAMMAD Vice-Minister for Agriculture and Agrarian Reform Damascus
Adviser	Khaled CHAWKAT Director of the Project for the Agricultural Development of the Coastal Internal Zone Ministry of Agriculture and Agrarian Reform Damascus

SYRIAN ARAB REPUBLIC (continued)

Adviser
Mazen ADI
Second Secretary
Alternate Permanent Representative
of the Syrian Arab Republic
to IFAD
Rome

THAILAND

Governor
(acting)
Kanok KHATIKARN
Inspector-General
Ministry of Agriculture
and Cooperatives
Bangkok

Adviser
Pornprom CHAIRIDCHAI
First Secretary (Agricultural Affairs)
Alternate Permanent Representative
of the Kingdom of Thailand to the
United Nations Agencies for
Food and Agriculture
Rome

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Governor
Ivan ANGELOV
Ambassador and Head of Mission
of The Former Yugoslav Republic
of Macedonia to the United Nations
Agencies for Food and Agriculture
Rome

Adviser
Evgenija ILIEVA
First Secretary
Permanent Mission of The Former
Yugoslav Republic of Macedonia
to the United Nations Agencies
for Food and Agriculture
Rome

Adviser
Lidija CADIKOVSKA
Director of IFAD Project
Ministry of Agriculture, Forestry
and Water Economy
Skopje

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA (continued)

Adviser	Aleksandar UZUNOV Coordinator Agriculture Investment Centre Ministry of Finance Skopje
Adviser	Efimija PECINSKA Director Agricultural Credit Discount Fund Ministry of Finance Skopje
Adviser	Viktor KALAJDJSKI Credit Officer Agriculture Credit Discount Fund Ministry of Finance Skopje

TONGA

Governor	Vuela K. TUPOU Counsellor Chargé d'affaires, a.i. High Commission for the Kingdom of Tonga London
----------	------------------------------------------------------------------------------------------------------------------

TUNISIA

Gouverneur (provisoire)	Mohamed Habib HADDAD Ministre de l'agriculture et des ressources hydrauliques Tunis
Gouverneur suppléant (provisoire)	Habib MANSOUR Ambassadeur de la République tunisienne Rome
Conseiller	Kamel BEN REJEB Directeur général de la coopération financière multilatérale Ministère du développement et de la coopération internationale Tunis

ANNEX I

TUNISIA (continued)

Conseiller	Mohamed LASSOUAD Directeur général Ministère de l'agriculture et des ressources hydrauliques Tunis
Conseiller	Sihem SELTENE Conseiller Représentant permanent adjoint de la République tunisienne auprès des organisations spécialisées des Nations Unies Rome

TURKEY

Governor (acting)	Serap ÖZCOSKUN First Counsellor Chargé d'affaires, a.i. Alternate Permanent Representative of the Republic of Turkey to IFAD Rome
Alternate Governor (acting)	Mehmet UYANIK Agricultural Counsellor Alternate Permanent Representative of the Republic of Turkey to IFAD Rome

UGANDA

Governor (acting)	Semakula KIWANUKA Minister of State for Finance, Planning and Economic Development (Investments) Kampala
Alternate Governor (acting)	Henry Oryem OKELLO Minister of State for Foreign Affairs (International Affairs) Kampala

UGANDA (continued)

Adviser
Israel Kibirige SEBUNYA
Minister of State for Agriculture,
Animal Industry and Fisheries
Entebbe

UNITED ARAB EMIRATES

Governor
(acting)
Abdulla Ahmed Bin ABDUL AZIZ
Assistant Under-Secretary
for Agricultural Section
Ministry of Agriculture and Fisheries
Abu Dhabi

Alternate Governor
(acting)
Majed Ali Ahmed OMRAN AL SHAMSI
Assistant Director
Revenue Department
Ministry of Finance and Industry
Dubai

Adviser
Abdulla AL MAAINAH
Minister Plenipotentiary
Alternate Permanent Representative
of the United Arab Emirates to the
United Nations Food and
Agriculture Agencies
Rome

Adviser
Abdulla Ahmed Saeed AL DHANHANI
Third Secretary
Embassy of the United
Arab Emirates
Rome

Adviser
Mirghani Hassan OBEID
Press Officer
Embassy of the United
Arab Emirates
Rome

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Governor
Matthew WYATT
Ambassador of the United Kingdom
of Great Britain and Northern Ireland
to the United Nations Food and
Agriculture Agencies
Rome

Alternate Governor
Peter REID
First Secretary (Senior Rural
Livelihoods Adviser)
Alternate Permanent Representative
of the United Kingdom of
Great Britain and Northern Ireland
to the United Nations Food and
Agriculture Agencies
Rome

Adviser
Elizabeth NASSKAU
Management and Programme
Support Officer
Permanent Representation of
the United Kingdom of
Great Britain and Northern Ireland
to the United Nations Food and
Agriculture Agencies
Rome

UNITED REPUBLIC OF TANZANIA

Alternate Governor
Costa Ricky MAHALU
Ambassador of the United Republic
of Tanzania to IFAD
Rome

Adviser
Perpetua M.S. HINGI
Agricultural Attaché
Alternate Permanent Representative
of the United Republic of Tanzania
to IFAD
Rome

Adviser
Grace MGOVAMO
Minister Counsellor
Embassy of the United Republic
of Tanzania
Rome

ANNEX I

VENEZUELA (BOLIVARIAN REPUBLIC OF) (continued)

Asesor Carlos POZZO BRACHO
Ministro Consejero
Representante Permanente Adjunto
de la República Bolivariana de
Venezuela ante los Organismos
de las Naciones Unidas
Roma

Asesor Freddy LEAL
Agregado (Agricultura)
Embajada de la República
Bolivariana de Venezuela
Roma

VIET NAM

Governor LE Thi Bang Tam
Vice-Minister for Finance
Hanoi

Alternate Governor NGUYEN Thanh Do
Deputy Director
External Finance Department
Ministry of Finance
Hanoi

Adviser NGUYEN Chi Thanh
Counsellor
Deputy Permanent Representative
of the Socialist Republic of Viet Nam
to the United Nations Agencies
for Food and Agriculture
Rome

Adviser NGUYEN Lan Huong
Deputy Division Chief
External Finance Department
Ministry of Finance
Hanoi

Adviser DUONG Quynh Le
Expert
External Finance Department
Ministry of Finance
Hanoi

ANNEX I

YEMEN

Governor	Hasan Omar SOWAID Minister for Agriculture and Irrigation Sana'a
Alternate Governor (acting)	Mohamed Saleh Ahmed AL-HILALY Ambassador of the Republic of Yemen to Italy Rome
Adviser	Abdulrahman Mohammed BAMATRAF Permanent Representative of the Republic of Yemen to FAO Rome
Adviser	Mohamed BACHIR President Agricultural Cooperative Union Ministry of Agriculture and Irrigation Sana'a
Adviser	Esam Saleh LUQMAN Director-General Fund for Promotion of Agriculture and Fisheries Ministry of Agriculture and Irrigation Sana'a
Adviser	Abdulmalik ALTHAWR Director-General Planning and Monitoring Ministry of Agriculture and Irrigation Sana'a

ZAMBIA

Governor (acting)	Lucy M. MUNGOMA Ambassador of the Republic of Zambia to the United Nations Food and Agriculture Agencies Rome
----------------------	---------------------------------------------------------------------------------------------------------------------------

ZAMBIA (continued)

Adviser	Willie NDEMBELA First Secretary Embassy of the Republic of Zambia Rome
---------	------------------------------------------------------------------------------------

ZIMBABWE

Alternate Governor	Mary Margaret MUCHADA Ambassador of the Republic of Zimbabwe to IFAD Rome
--------------------	------------------------------------------------------------------------------------

Adviser	Michael MUCHENJE NYERE Counsellor Alternate Permanent Representative of the Republic of Zimbabwe to IFAD Rome
---------	------------------------------------------------------------------------------------------------------------------------------

Adviser	Rudo Grace MANYARARA Counsellor Alternate Permanent Representative of the Republic of Zimbabwe to IFAD Rome
---------	----------------------------------------------------------------------------------------------------------------------------

المراقبون من الدول الأعضاء بالأمم المتحدة

OBSERVERS FROM UNITED NATIONS MEMBER STATES

OBSERVATEURS D'ÉTATS MEMBRES DES NATIONS UNIES

OBSERVADORES DE LOS ESTADOS MIEMBROS DE LAS NACIONES UNIDAS

BELARUS

Dmitry YARMOLYUK
First Secretary
Embassy of the Republic
of Belarus
Rome

CZECH REPUBLIC

Pavel SKODA
Counsellor
Permanent Representative of
the Czech Republic to FAO
Rome

HUNGARY

Zoltán KÁLMÁN
Agricultural Counsellor
Permanent Representative of the
Republic of Hungary to FAO
Rome

SAN MARINO

Daniela ROTONDARO
Counsellor
Permanent Representative of the
Republic of San Marino to FAO
Rome

SERBIA AND MONTENEGRO

Dmitar ZAKULA
Adviser
Directorate for Water
Ministry of Agriculture, Forestry
and Water Management
Novi Beograd

Dragana VUKOVIC LJUBOJEVIC
First Secretary
Embassy of the Republic
of Serbia and Montenegro
Rome

SLOVAKIA

Milan PAKSI
Counsellor
Permanent Representative of
the Slovak Republic to FAO
Rome

SLOVENIA

Bojana HOCEVAR
Minister Plenipotentiary
Permanent Representative of
the Republic of Slovenia to FAO
Rome

UKRAINE

Marina MYKHAILENKO
Counsellor
Embassy of the Republic
of Ukraine
Rome

Oksana DRAMARETSKA
First Secretary
Alternate Permanent Representative
of Ukraine to FAO
Rome

الكرسي الرسولي

HOLY SEE

SAINT-SIÈGE

SANTA SEDE

Renato VOLANTE
Observateur permanent du
Saint-Siège auprès du FIDA
Cité du Vatican

Vincenzo BUONOMO
Observateur permanent suppléant
du Saint-Siège auprès du FIDA
Cité du Vatican

Lelio BERNARDI
Conseiller
Mission permanente
du Saint-Siège auprès du FIDA
Cité du Vatican

الممثلون عن الأمم المتحدة والوكالات المتخصصة

REPRESENTATIVES OF THE UNITED NATIONS AND SPECIALIZED AGENCIES
REPRÉSENTANTS DES NATIONS UNIES ET INSTITUTIONS SPÉCIALISÉES
REPRESENTANTES DE LAS NACIONES UNIDAS Y ORGANISMOS ESPECIALIZADOS

Food and Agriculture Organization of the United Nations

David HARCHARIK
Deputy Director-General
Rome

Tesfai TECLE
Director
Investment Centre Division
Rome

Gilbert LANDART
Senior Adviser
Investment Centre Division
Rome

United Nations Economic and Social Council

Massimo PIERI
President
COBASE
Rome

Valentina JAPPELLI
Vice-President
COBASE
Rome

United Nations Office for Project Services

Carleen GARDNER
Deputy Executive Director
New York

Mohamed CHAALALA
Coordinator
Rome

World Food Programme

Jean-Jacques GRAISSE
Senior Deputy Executive Director
Rome

Natasha NADAZDIN
External Relations Officer
Rome

المراقبون من المنظمات الحكومية الدولية

OBSERVERS FROM INTERGOVERNMENTAL ORGANIZATIONS

OBSERVATEURS DES ORGANISATIONS INTERGOUVERNEMENTALES

OBSERVADORES DE LAS ORGANIZACIONES INTERGUBERNAMENTALES

Arab Bank for Economic Development in Africa

Wahid HAJRI
Assistant Director-General
of Operations
Khartoum

Abdulmagid H. BURAWI
Project Officer
Operations Department
Khartoum

Arab Center for the Studies of Arid Zones and Dry Lands

Farouk Saleh FARES
Director-General
Damascus

Nasr Eldin OUBEID
Director
Administrative Affairs
Damascus

Abdallah DROUBI
Director
Financial Affairs
Damascus

European Community

Luis RITTO
Ambassador
Permanent Representative of the
Commission of the European
Community to the United Nations
Agencies
Rome

European Community (continued)

Soline DE VILLARD
Counsellor
Alternate Permanent Representative of the
Commission of the European
Community to the United Nations
Agencies
Rome

Simon RENK
Counsellor
Alternate Permanent Representative
of the Commission of the
European Community to the
United Nations Agencies
Rome

League of Arab States

Fathi ABU ABED
Counsellor
Rome

OPEC Fund for International Development

Ali EZZATI
Director
Operations and Public Sector
Vienna

Organisation for Economic Co-operation and Development

Wayne JONES
Head
Non-Member Economies Division
Directorate for Food, Agriculture
and Fisheries
Paris

المراقبون من المنظمات غير الحكومية

OBSERVERS FROM NON-GOVERNMENTAL ORGANIZATIONS

OBSERVATEURS DES ORGANISATIONS NON GOUVERNEMENTALES

OBSERVADORES DE LAS ORGANIZACIONES NO GUBERNAMENTALES

Human Appeal International

Imad Izzat ZAHIDAH
Secretary-General Consultant
Ajman

International Development Research Centre

Alain BERRANGER
Director
Partnerships and Business
Development Division
Ottawa

International Juridical Organization for Environment and Development

Mary Ellen BAUGH SIKABONYI
Executive Director
Rome

Ricerca e Cooperazione

Arturo PAROLINI
President and Director
Programme Office
Rome

Society for International Development

Evelyn PIMENTEL
Director for Latin America
Rome

ANNEX II

a

IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Governing Council – Twenty-Eighth Session
Rome, 16-17 February 2005

AGENDA AND PROGRAMME OF EVENTS

1. In line with the format introduced in recent years, the proceedings of the Twenty-Eighth Session of the Governing Council will include an interactive panel discussion as well as the traditional inaugural ceremony and consideration of agenda items. As shown in the attached programme of events, the panel discussion will be held in plenary on the morning of the second day of the session. Given the increasing importance of rural investment and enabling policies for pro-poor growth as contributing factors in achieving the Millennium Development Goals, the President has proposed as the theme of the panel discussion: *Achieving the Millennium Development Goals: Rural Investment and Enabling Policy*.

2. In the afternoon of the first day of the session, three simultaneous round-table discussions will be held, on the following topics:

- Achieving the Millennium Development Goal of Halving Poverty by 2015: Sharing Experiences between Asia and the Pacific and Western and Central Africa
- National Strategies for Rural Poverty Reduction: A Comparison of Experiences
- Rural Poverty Reduction is Key to Achieving the Millennium Development Goals

These topics have been chosen to support discussion of issues that can be further developed during the panel discussion, and have therefore been scheduled to take place on the afternoon of the first day of the session.

3. National delegations are invited to attend the round-table discussions of their choice and, to maximize interaction, may wish to have different members attend different round tables.

ANNEX II

AGENDA

1. Opening of the Session
2. Adoption of the Agenda
3. Application for Non-Original Membership
4. Statement of the President of IFAD
5. General Statements
6. Appointment of the President of IFAD
7. Report on the Sixth Replenishment of IFAD's Resources
8. Seventh Replenishment of IFAD's Resources
9. Audited Financial Statements of IFAD – 31 December 2003
10. Administrative Budget of IFAD and its Office of Evaluation for 2005
11. Special Expenditure for IFAD's New Headquarters
12. Progress Report on Implementation of the Performance-Based Allocation System
13. Progress Report on the Process Re-Engineering Programme (Strategic Change Programme)
14. Report on the Lessons Learned by the International Land Coalition
15. Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification
16. Other Business

Approval of Disclosure of Documents

PROGRAMME OF EVENTS

WEDNESDAY, 16 FEBRUARY 2005

Morning Meeting	10.00-13.00 hours
10.00-13.00 hours	Inaugural Ceremony Commencement of Consideration of Agenda Items

Afternoon Meeting	14.30-18.30 hours
14.30-15.50 hours	Continuation of Consideration of Agenda Items
16.00-18.30 hours	Round-Table Discussions

Three round tables will be held simultaneously on the following topics:

- Achieving the Millennium Development Goal of Halving Poverty by 2015: Sharing Experiences between Asia and the Pacific and Western and Central Africa
- National Strategies for Rural Poverty Reduction: A Comparison of Experiences
- Rural Poverty Reduction is Key to Achieving the Millennium Development Goals

THURSDAY, 17 FEBRUARY 2005

Morning Meeting	09.30-13.00 hours
09.30-10.30 hours	Continuation of Consideration of Agenda Items
10.30-13.00 hours	Panel Discussion

Achieving the Millennium Development Goals: Rural Investment and Enabling Policy

This interactive panel discussion will provide an opportunity for dialogue on the theme and will include a question-and-answer period. The panel will be composed of high-level experts together with the President of IFAD.

Afternoon Meeting	15.00-18.00 hours
15.00-17.50 hours	Continuation of Consideration of Agenda Items
17.50-18.00 hours	Closure of the Session

ANNEX III

**LIST OF DOCUMENTS PLACED BEFORE THE
TWENTY-EIGHTH SESSION OF THE GOVERNING COUNCIL**

Document No.	Agenda Item	Title
GC 28/L.1	2	Provisional Agenda and Programme of Events
GC 28/L.1/Add.1	2	Schedule of Work for the Session
GC 28/L.2	3	Application for Non-Original Membership
GC 28/L.3 + CRP.1	6	Appointment of the President of IFAD
GC 28/L.4 + Add.1	7	Report on the Sixth Replenishment of IFAD's Resources
GC 28/L.5	8	Establishment of the Consultation on the Seventh Replenishment of IFAD's Resources
GC 28/L.6	9	Audited Financial Statements of IFAD as at 31 December 2003
GC 28/L.7	10	Programme of Work and Administrative Budget of IFAD and its Office of Evaluation for 2005
GC 28/L.8/Rev.1	11	Special Expenditure for IFAD's New Headquarters
GC 28/L.9	12	2004 Progress Report on Implementation of the Performance-Based Allocation System
GC 28/L.10	13	Progress Report on the Process Re-Engineering Programme (Strategic Change Programme)
GC 28/L.11	14	Report on Lessons Learned by the International Land Coalition – Advancing the Land Rights of the Rural Poor
GC 28/L.12	15	Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa
GC 28/INF.1		Arrangements for the Twenty-Eighth Session of the Governing Council
GC 28/INF.2		Videotapes of Statements Delivered by Delegates
GC 28/INF.3		Background Information on Member States' Votes with Regard to the Appointment of the President of IFAD

ANNEX III

Document No.	Agenda Item	Title
GC 28/INF.4		Round-Table Discussions – Achieving the Millennium Development Goal of Halving Poverty by 2015: Sharing Experiences between Asia and the Pacific and Western and Central Africa
GC 28/INF.5		Round-Table Discussions – National Strategies for Rural Poverty Reduction: A Comparison of Experiences
GC 28/INF.6		Round-Table Discussions – Rural Poverty Reduction is Key to Achieving the Millennium Development Goals
GC 28/INF.7	6	Appointment of the President of IFAD (Background Note on Relevant Election Procedures and Modalities)
GC 28/INF.8/Rev.1		Provisional List of Participants at the Twenty-Eighth Session of the Governing Council
GC 28/INF.9		Panel Discussion - Achieving the Millennium Development Goals: Rural Investment and Enabling Policy
GC 28/INF.10		Round-Table Discussions
GC 28/INF.11		IFAD's Participation in the Debt Initiative for Heavily Indebted Poor Countries - Progress Report for 2004
GC 28/INF.12 + Rev.1 + Rev.2		Order of Speakers – Statements Delivered during Plenary Meetings
GC 28/INF.13		Schedule of Briefings
GC 28/INF.14		Financial Highlights for the Year Ended 31 December 2004
GC 28/Resolutions		Resolutions Adopted by the Governing Council at its Twenty-Eighth Session
Closing Statement		Closing Statement by Her Excellency Nobuko Matsubara, Vice-Chairperson of the Twenty-Eighth Session of the Governing Council of IFAD

ANNEX IV

a

IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Governing Council – Twenty-Eighth Session
Rome, 16-17 February 2005

RESOLUTIONS ADOPTED BY THE GOVERNING COUNCIL
AT ITS TWENTY-EIGHTH SESSION

1. The Governing Council, at its Twenty-Eighth Session, adopted Resolutions 135/XXVIII and 136/XXVIII on 16 February 2005 and Resolutions 137/XXVIII, 138/XXVIII and 139/XXVIII on 17 February 2005.
2. These resolutions are transmitted for the information of all Members of IFAD.

**APPROVAL OF
NON-ORIGINAL MEMBERS OF THE FUND**

Resolution 135/XXVIII

Approval of Non-Original Members of the Fund

The Governing Council of IFAD,

Taking into account Articles 3.2(b) and 13.1(c) of the Agreement Establishing IFAD and Section 10 of the By-laws for the Conduct of the Business of IFAD;

Having considered the application for non-original membership by the Republic of Kiribati, transmitted to the Council in document GC 28/L.2, and the recommendation of the Executive Board thereon;

Approves the membership of the Republic of Kiribati.

APPOINTMENT OF THE PRESIDENT OF IFAD

Resolution 136/XXVIII

Appointment of the President of IFAD

The Governing Council of IFAD,

Having acted upon the proposal for the appointment of the President contained in documents GC 28/L.3, dated 14 January 2005, and GC 28/C.R.P.1, dated 16 February 2005;

Decides, in accordance with Article 6, Section 8(a), of the Agreement Establishment IFAD, to appoint Mr Lennart Båge of the Kingdom of Sweden as President of IFAD for a term of office of four years, to take effect from 1 April 2005.

**THE ESTABLISHMENT OF
THE CONSULTATION ON THE SEVENTH REPLENISHMENT OF IFAD'S RESOURCES**

Resolution 137/XXVIII

The Establishment of the Consultation on the Seventh Replenishment of IFAD's Resources

The Governing Council of IFAD,

Recalling Article 4, Section 3, of the Agreement Establishing IFAD, which provides that, in order to assure continuity in the operations of the Fund, the Governing Council shall periodically review the adequacy of the resources available to the Fund;

Further recalling that the period established by Governing Council Resolution 130/XXVI for the Sixth Replenishment of IFAD's Resources will conclude on 31 December 2006;

Having considered the statement of the President of IFAD on the need for a review of the adequacy of the resources available to IFAD and document GC 28/L.5 thereon; and

Having further considered the need for the establishment of a Consultation on the Seventh Replenishment of IFAD's Resources;

Decides that:

1. A Consultation on the Seventh Replenishment of IFAD's Resources ("the Consultation") shall be established under the chairmanship of the President of IFAD to discuss all aspects of the Seventh Replenishment of IFAD's Resources and to negotiate the conclusion of that replenishment. The first session of the Consultation shall be held, as soon as possible during 2005, on such date as the President of IFAD shall decide, after appropriate consultation with the members of the Consultation, and with such further sessions as the Consultation may deem appropriate.
2. The Consultation shall consist of all Member States from Lists A and B and fifteen Member States from List C, the latter to be appointed by the members of List C and communicated to the President of IFAD no later than 17 February 2005. The Consultation may subsequently invite such other Member States to participate in the Consultation as may facilitate its deliberations.
3. The Consultation shall submit a report on the results of its deliberations and any recommendations thereon to the Twenty-Ninth Session and, if required, subsequent sessions of the Governing Council, through the Executive Board, with a view to adopting such resolutions as may be appropriate.
4. The President of IFAD is requested to keep the Executive Board informed of the progress of the deliberations of the Consultation.
5. The President of IFAD is requested to provide such assistance to the Consultation as may be necessary for the effective and efficient discharge of its functions.

**ADMINISTRATIVE BUDGET OF IFAD
AND ITS OFFICE OF EVALUATION FOR 2005**

Resolution 138/XXVIII

Administrative Budget of IFAD and its Office of Evaluation for 2005

The Governing Council of IFAD,

Bearing in mind Article 6, Section 10, of the Agreement Establishing IFAD and Regulation VI of the Financial Regulations of IFAD;

Noting that, at its Eighty-Third Session, the Executive Board reviewed and agreed upon a Programme of Work of IFAD for 2005 in the amount of SDR 337.7 million and a total Programme Development Financing Facility of USD 29.9 million;

Having considered the review of the Eighty-Third Session of the Executive Board concerning the proposed administrative budget of IFAD and its Office of Evaluation for 2005;

Approves the administrative budget of IFAD for 2005, as contained in document GC 28/L.7, in the amount of USD 53.3 million plus USD 3.6 million to cover one time costs for IFAD as well as USD 4.69 million for the Office of Evaluation, determined on the basis of a rate of exchange of EUR 0.819/USD 1.00.

Decides that in the event the average value of the United States dollar in 2005 should change against the euro rate of exchange used to calculate the budget, the total United States dollar equivalent of the euro expenditures in the budget shall be adjusted in the proportion that the actual exchange rate in 2005 bears to the budget exchange rate.

**SPECIAL EXPENDITURE
FOR IFAD'S NEW HEADQUARTERS**

Resolution 139/XXVIII

Special Expenditure for IFAD's New Headquarters

The Governing Council of IFAD,

Bearing in mind Article 6, Section 10, of the Agreement Establishing IFAD and Regulation VI of the Financial Regulations of IFAD;

Noting that, at its Eighty-Second Session, the Executive Board endorsed the need for a special expenditure for IFAD's new headquarters for a three-year period;

Having considered the review of the Eighty-Third Session of the Executive Board concerning the special expenditure for IFAD's new headquarters for 2005 to 2007 inclusive;

Decides that:

1. The special expenditure in the amount of EUR 3 400 000 (USD 4 100 000, at the exchange rate of July 2004) to finance the common areas and facilities of IFAD's new headquarters at Via Paolo di Dono, 44, Rome, for a three-year period during financial years 2005 to 2007 inclusive, as contained in document GC 28/L.8/Rev.1 is approved.
2. The President of IFAD is authorized to seek and to receive voluntary contributions for financing some of the common support areas in the said new headquarters and to inform the Executive Board annually of all such contributions. The amount approved in paragraph 1 above as a special expenditure may be reduced by an amount commensurate with such voluntary contributions.
3. The President of IFAD is requested to provide a report on the expenditures incurred in preparing the new headquarters annually to the Executive Board and to submit a final report thereon to the Governing Council in February 2008.