



Status of Contributions to the Ninth Replenishment of IFAD's Resources and Financial outlook for IFAD9

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Investing in rural people

1. Status of 9th Replenishment contributions as at 19 February 2014



9th Replenishment Pledges	USD million	% of Target
Regular Contributions	1 067.2	
Complementary contributions	352.8	
Total	1 420.0	95%
<i>Payments on above</i>	965.0	68%

**Comparison
(same period)**

8th Repl.	7th Repl.
90%	89%
62%	53%

2. IFAD9 Successes



- ***Highest replenishment pledges*** IFAD has achieved
- ***Highest % of payments received***
- ***Dealt with the challenge introduced in IFAD 8***
 - One-off release of internal resources lead to unsustainably high PoLG
 - Introduced more transparent business model
 - Business model is sustainable

3. IFAD9 Challenges



- Pledged contributions short of target by about \$100m
- Significant contributions with restricted uses
 - Climate change funds to be used only for grants only in IFAD 9
 - Grants do not produce reflows
 - Reflows provide approximately 50% of PoLG
- Unfavourable global financial environment has reduced projected investment returns
- Some positive factors, but not enough to compensate

4. Current Outlook for IFAD9: Mobilization requirement



To reach the USD 3.0 billion target PoLG, based on the latest updated projections, IFAD should mobilize approximately USD 500 million

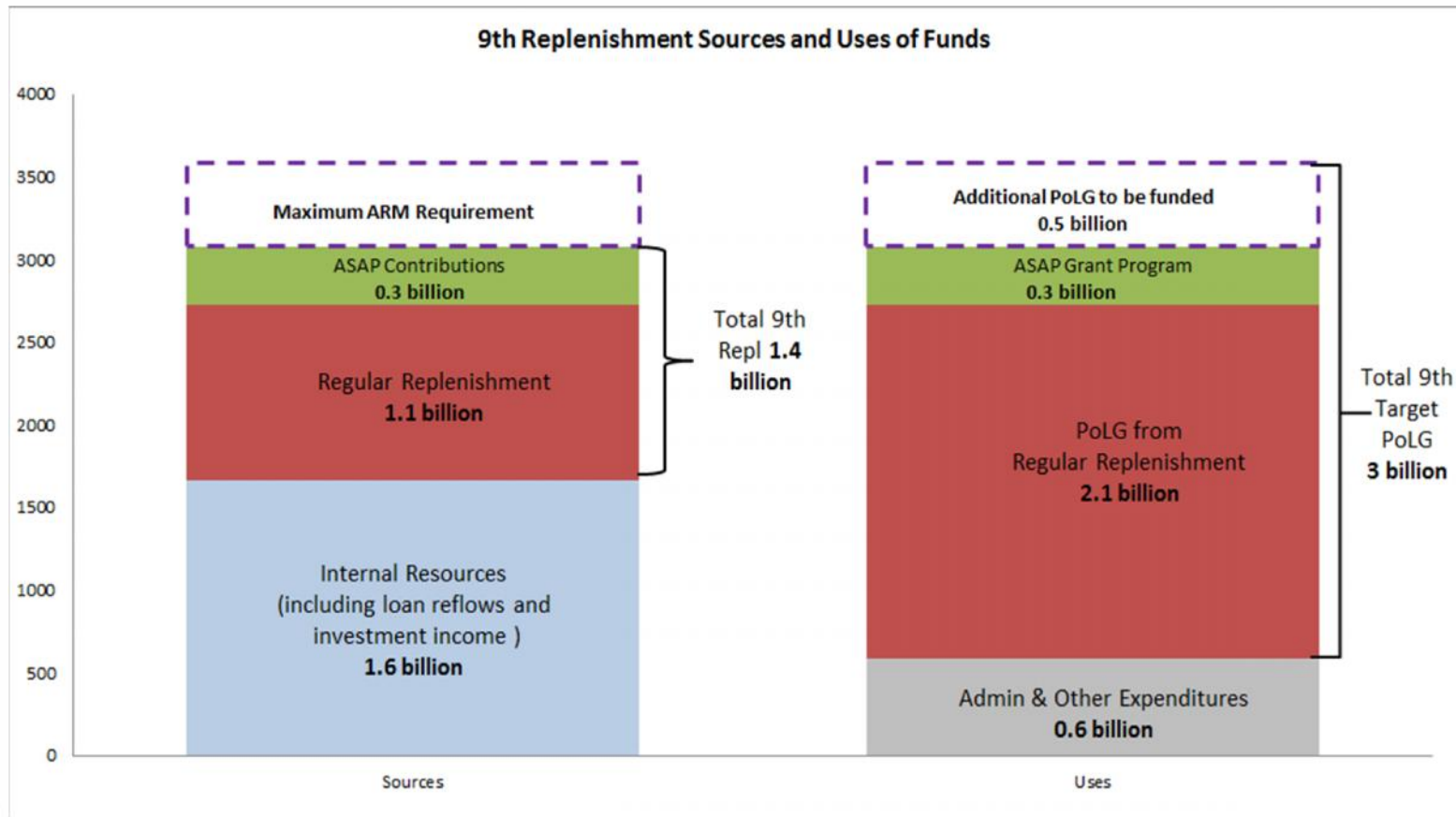
Main reasons underlying this revised financial scenario from projections used during the IFAD9 consultations:

	<u>Impact on PoLG (USDm)</u>
<i>1. Contributions shortfall (approx. USD 100 million)</i>	(215)
<i>2. Non-reflow producing contributions</i>	(324)
<i>3. Investment return projections</i> revised downward in light of global financial conditions	(138)
<i>4. Other positive compensating factors</i> (e.g. faster encashment of contributions, higher cancellations)	<u>+149</u>
	<i>Total</i> <u>(528)</u>

4. Current Outlook for IFAD9: Mobilization requirement



To reach the USD 3.0 billion target PoLG, IFAD should mobilize additional resources



5. Current Outlook for IFAD9: Options



As in previous replenishments, projections are regularly updated with actuals; in the past, due to netting out of changes between forecast sources of funds & uses thereof, IFAD did not need to reduce the PoLG. In IFAD9, management is proactively addressing the current projected net resource requirement

IFAD9 Options:

1. Additional Contributions
2. Other sources of funding (e.g. foundations)
3. Borrowing (from Sovereign States, Government Agencies)
4. Reduction of PoLG for IFAD9 in 2015

Financial outlook for IFAD9 and 10 to be discussed in depth at the second session of the IFAD10 Consultations