



Draft Resolution on IFAD11

Consultation on the Eleventh Replenishment of IFAD's resources: third session
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Introduction



The draft IFAD11 Resolution has been revised to reflect comments received from Members after the second session of the Consultation in June 2017 and to include additional changes proposed by IFAD Management.

Specifically, revisions have been made to the following:

- Unrestricted Complementary Contributions (UCCs)
- Concessional Partner Loans (CPLs)
- Debt Sustainability Framework (DSF)
- Market borrowing
- Amendments to the Agreement Establishing IFAD

Unrestricted Complementary Contributions (UCCs)



- Paragraph 7 (c) that UCCs can be made to support thematic activities during IFAD11.
- Management proposes to include climate mainstreaming as one of the themes for UCCs during IFAD11.
- Other themes may be proposed by Management or by Member States for consideration until the end of the consultation and during IFAD11.
- Governing Council or Executive Board (if Governing Council is not in session) will decide which themes should be retained.

Concessional Partner Loans (CPLs)

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- Paragraph 2 now provides that Member States may provide CPLs through agencies they own or control, i.e. State-Supported Institutions.
- Voting rights in respect of the grant element embedded in the CPL will continue to accrue to the relevant Member State.

Debt Sustainability Framework (DSF)



- Paragraph 5(b) now refers to annex II “Updated summary of the Debt Sustainability Framework proposal by IFAD for the IFAD11 Consultation” of the “Financial Framework and Scenarios for IFAD11” which provides the DSF compensation contributions required of Member States.
- Paragraph 6 now rehearses *in extenso* the detailed conditions for the DSF compensation as approved by the Governing Council in 2015.

Market borrowing



Market borrowing

- Paragraph 29(d) will confirm the role of the Executive Board in the roadmap for market borrowing.
- It will also reflect the fact that the Governing Council will determine whether or not to proceed with market borrowing.

Limitation of liability

- A new paragraph 29 (e) reiterates the limitation of liability of Member States provided in Article 3.3 of the Agreement Establishing IFAD.

Amendments of the Agreement Establishing IFAD



- The words “or guaranteed” have been deleted from paragraph (c) of the proposed new section 7 of article 4 (“Borrowing and market activities”) of the Agreement Establishing IFAD.
- Paragraphs (d) and (e) of the proposed new section 7 of article 4 of the Agreement have been deleted.
- The words “for hedging purposes only” have been inserted in paragraph (d) of the proposed new section 7 of article 4 of the Agreement.

Questions?

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