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CHAIRMAN'S SUMMARY RECORD
CONSULTATION ON THE THIRD REPLENISHMENT OF IFAD'S RESOURCES

Second Session
22 - 23 June 1988
Rome, Italy

CHAIRMAN'S SUMMARY RECORD

Second Session of the Consultation on the Third Replenishment of IFAD's Resources

22 - 23 June 1988
Rome, Italy

1. The Second Session of the Consultation on the Third Replenishment of IFAD's Resources was convened in Rome, Italy, on 22 - 23 June 1988 by the President of the Fund, Idriss Jazairy, who chaired the meeting. The list of participants is attached (Annex I). The list of documents placed before the Second Session of the Consultation on the Third Replenishment of IFAD's Resources is also attached (Annex II).

Agenda Item 1: Opening Statement by the President

2. President Jazairy welcomed the Representatives and summarised the results of the First Session of the Consultation on the Third Replenishment of IFAD's Resources which, he believed, had been both productive and fruitful. The statements of the three categories at that first stage of the negotiations had shown more points of convergence than of difference. Thus, the main task at the Second Session would be to eliminate remaining differences and capitalise on points of agreement. The Consultation, at its First Session, had agreed that a flexible approach and pragmatic solutions to outstanding issues were required to ensure the continuation of IFAD's lending operations at an appropriate level. It had welcomed the new element in the Third Replenishment: the willingness of Category I countries, by applying a higher multiple than they did with Category II countries, to match contributions in convertible currencies from Category III countries, which in turn had indicated that they would try to reach their target of US\$ 75 million under certain conditions. Category II had indicated that it would do its best to meet the expectations of the other categories. The Consultation had also stressed the need to complete the Third Replenishment as quickly as possible, preferably by October. Meanwhile, some Category III countries, by increasing their contributions, had already ensured that two-thirds of the amount of US\$ 75 million, which this category had set itself as a target, would be covered.

3. The President drew the attention of the Representatives to the endorsement of this target in a Resolution of the Council of Ministers of the Organization of African Unity (OAU) meeting in May 1988 in Addis Ababa. He also understood that, in line with the recommendations of that OAU Summit, four Category II Members had already expressed their intention to maintain the same amounts they had contributed to the Second Replenishment of IFAD's Resources. He expected that Category I countries would also respond positively to the OAU Resolution. In the coming days, he and his colleagues intended to travel to a number of countries to seek a firm indication of their levels of contribution so that, hopefully, the Consultation could finalise the negotiations, including the period and level of the Third Replenishment, at its Third Session.

4. The President hoped that the Second Session of the Consultation might be able to complete its work in one day, although meeting facilities would be available for a second day should this prove necessary. Meanwhile, he proposed that the Consultation begin by listening to General Statements, after which it could adjourn for informal meetings to be followed by another plenary session to organise the Consultation's future work. He believed that the Third Session of the Consultation could take place in the autumn and proposed the dates of 26 and 27 October. He felt certain that the positive spirit reflected in the First Session would continue to prevail and assist the Consultation in achieving its goals before the end of the year.

Agenda Item 2: Adoption of the Agenda

5. The Chairman invited the Consultation to adopt the Provisional Agenda (document REPL.III/2/L.5).

6. The Agenda (attached as Annex III) was adopted.

Agenda Item 3: Consultation on the Third Replenishment of IFAD's Resources

7. The Representative of The Congo (J. Tchicaya), on behalf of the Member Countries of Category III, also believed that the First Session had taken place in favourable circumstances. In Geneva, Category III had undertaken to reach an ambitious target in comparison with the level of its contributions to the Second Replenishment. The undertaking had been made on behalf of more than 110 Member States and represented a risk, since there had been no opportunity to consult with them all. Therefore, the Chairman's information that two-thirds of the target had already been pledged was a matter for considerable satisfaction. However, Category III had set a number of conditions on the achievement of the target: that the Category I contribution should be three or four times the amount contributed by Category III in convertible currencies, an answer to which was expected during the course of this session; and that Category II would maintain its level of contributions at that which it had contributed to the Second Replenishment. He hoped that the fact that some Category II countries had already made pledges would encourage other countries in the same category to follow suit.

8. The Adviser to the Representative of Canada (R. T. Lalonde), on behalf of the Member Countries of Category I, congratulated the Category III countries on the effort that they had made, particularly as some of the contributions had been pledged by countries which were among the poorest. He hoped other Category III countries would follow their example. He also considered the announcement by four Members of Category II that they are maintaining the level of their contributions encouraging. At the same time he would like to invite Category II countries which had not yet indicated their intentions regarding the Third Replenishment to do so as soon as possible. This would allow Category I to finalise more quickly its response to the contributions of both Categories II and III. The contribution of Category II was essential in establishing a significant level of replenishment. He welcomed the indication by Category III Members of their contributions and indicated that Category I was ready to respond to the efforts of these Members by using a matching formula that would fully recognise the importance of such efforts once an indication had been made of Category II's intentions.

9. The Representative of Nigeria (J. Ladan) requested that, before proceeding further, members of the Consultation should meet in categories, so as to consult each other on the contents of the President's Opening Statement and the OAU Resolution.

10. The Chairman invited the Consultation to proceed with General Statements, after which informal consultations through individual category meetings and of the three categories together could be held.

11. It was so decided.

12. The Representative of Colombia (G. Bula Hoyos) was satisfied that, for the first time, an IFAD body was meeting at the Food and Agriculture Organization of the United Nations (FAO) and hoped that this would become a practice until IFAD had more appropriate premises. Referring to the pledging efforts by Category III countries and by four countries in Category II, he was not satisfied with Category I's invitation to Categories II and III to continue announcing positive pledging efforts, and urged Category I to take a positive and specific approach to this problem. He hoped that when Category I met together it would answer two questions: firstly, was it going to insist that burden-sharing remain what it was when IFAD started, i.e., 40% for Category II and 60% for Category I? And secondly, what multiple did it propose in respect of the proposals made by Category III? It was not acceptable that Category I should take the defensive stance of waiting to see what Categories II and III were going to do. It was up to Category I to take the initiative. Its position in the First Replenishment had been the cause of IFAD's deterioration, while the Second Replenishment which had, with difficulty, reached US\$ 460 million had been intended to take IFAD to the end of 1987, yet six months later, in the middle of 1988, the Fund still depended on it with due consequences to its loan programme. If the attitude of Category I had not changed, he wondered whether the Consultation would be able to adopt a Third Replenishment before the next session of the Governing Council in 1989. He believed that the time had come for the Category I countries to say whether they would contribute to IFAD and what their contribution would be.

13. The Representative of Saudi Arabia (A. Y. A. Bukhari), on behalf of the Member Countries of Category II, said that the holding of the Second Session of the Consultation on FAO premises reflected the importance of cooperation between FAO and IFAD. He complimented the President of IFAD on this initiative and the Director-General of FAO for his positive attitude. He noted that the Representative of Colombia had already said a great deal of what he himself had wanted to say. However, he would like to be even more explicit. Category III, in announcing an increase of its contribution so as to attain US\$ 75 million in convertible currencies, had suggested certain conditions or, perhaps, proposals. One of them concerned Category I only and in part they concerned Category II. Four Category II countries had announced that in the Third Replenishment they would adhere to the level of their contributions to the Second Replenishment, despite the major problem of indebtedness from which they suffered. These four countries had shown goodwill. He hoped that the President of IFAD would be able to hold consultations with other Category II countries despite the little time still available. He believed that all Category II countries were expecting a positive reaction by the Members of Category I to the proposals made by Category III. The

first proposal was that Category I should agree to provide an amount three to four times higher than the target of Category III. Category III had also proposed that the burden-sharing between Categories I and II of the Third Replenishment should be divided in the ratio of 70% to 30% (US\$ 184 million) respectively. The Consultation was still awaiting the reaction of Category I to these two proposals. Category II could not take a position until it had heard the reaction of Category I.

14. The Representative of Sweden (K-E. Norrman) expressed his appreciation for the cooperation between IFAD and the United Nations, as reflected in the hosting by the International Labour Organization (ILO) and FAO respectively of the First and Second Sessions of the Consultation. His country had a tradition of following up words of support to an organisation with substantial contributions and its attitude during the negotiations on the Third Replenishment would be no exception.

15. The Representative of The Congo (J. Tchicaya), on behalf of the Member Countries of Category III, thanked the Representatives of Categories I and II for their replies to his questions, although they had left him a little uneasy. He believed that the proposals made and the conditions suggested by Category III were clear. He therefore failed to understand why Category I was waiting to see what changes might be made with respect to the contribution of Category III. Similarly, if the position of Category I was as indicated in the Report of the Chairman on the Preliminary Findings of the High-level Intergovernmental Committee on IFAD's Future Financial Basis and Structure (document REPL.88/III/1/L.3/Rev.1), Category III believed that Category I could make its position clear without waiting for Category II to express its reaction to the conditions proposed by Category III. However, Category III would not despair in regard to Category II countries after listening to the Chairman's Opening Statement, as it believed that the example of four in that category would be followed by the others. But Category III was concerned to know: (i) the reaction of Category I to the proposal that it provide an amount three to four times higher than Category III's target of contributions in convertible currencies; and (ii) the reactions of both Categories I and II to the proposal on burden-sharing between them. He therefore suggested that the categories should meet informally among themselves and resume the session afterwards when they could make concrete proposals.

16. The Representative of Colombia (G. Bula Hoyos) was concerned by the insistence of the Spokesman for Category I that Category II countries should indicate their intentions with regard to the Third Replenishment as soon as possible. It would therefore be helpful to know their real views about the contribution of Category II and about the multiplier they intended to apply in matching Category III contributions in convertible currencies.

17. The Representative of the United Kingdom (J. L. F. Buist) found himself very much in agreement with one point made by the Representative of Colombia: it was very clear that Category III was being asked to make a greater effort. But it was equally clear that greater efforts would also be required by Category I. The contributions already notified by Category III and the prospect of generous matching by Category I would stimulate further countries in Category III to reach the collective target they had set themselves without first consulting with all the Members of

that category. But an essential element to bringing about a satisfactory conclusion to the negotiations of the Consultation must be the maintenance of Category II contributions at the level of the Second Replenishment, although much lower than those provided in the First Replenishment. His delegation had been encouraged to learn that four Members of Category II had each expressed the intention of contributing the same amounts as previously. He felt that the meeting was an opportunity for other Category II Members to do the same. While he sympathised with the Representative of Nigeria's request for further discussion within categories, it would be wrong to begin them under the mistaken impression that Category I was not willing to do much more than before. The greater part of the responsibility for the Third Replenishment would be shouldered by Category I and should be so maintained because otherwise a situation would be created in which Category III contributions would determine the major part of the replenishment which, as he recalled, Category III had been reluctant to accept.

18. The Representative of Nigeria (J. Ladan) repeated his request for informal category meetings since he was anxious to consult on certain announcements that had been made in the plenary session. For example, there had been several references to decisions by four, unnamed, Category II countries to maintain their individual contributions. Perhaps therefore there should be some consultation on that issue because what was being discussed was not a target but rather a commitment. He himself had not received any official information about this issue and wanted to have the matter discussed within Category II so that he and his colleagues could know their position.

19. The Chairman said that he did not see the meeting as a pledging conference for the Third Replenishment. In his Opening Statement, he had said that he understood that four of the Members of Category II were maintaining the same amounts they had contributed to the Second Replenishment, as an indication of how trends were developing.

20. The Adviser to the Representative of Canada (R. T. Lalonde), on behalf of the Member Countries of Category I, agreed that there should be informal meetings either of individual categories or between categories. Perhaps his statement on behalf of Category I had not been sufficiently clear and he was anxious that it should not be interpreted as being unsympathetic to the efforts of Category III, the contributions of which represented a large step forward. He believed that there was considerable goodwill in Category I for making an adequate contribution so as to obtain the Third Replenishment at a good and higher level than had been obtained in the Second Replenishment. Therefore, he had wanted to indicate that Category I's partners in other categories should also confirm their contribution, perhaps more specifically than they had done so far. He felt that the discussion could not only be limited to the multiplier. There was also the question of the matching formula that had been suggested. Clearer information and indications regarding what Category II would accept in the context of burden-sharing were needed. Category I would make a large contribution but did require more information on these various mechanisms.

21. The Chairman proposed that informal meetings of categories and between categories might be held in the afternoon to be followed by a further formal discussion.

22. It was so decided.
23. The Chairman adjourned the meeting at 11.35 hours.
24. Informal discussions took place during the remainder of Wednesday 22 June and the morning of Thursday 23 June 1988.
25. The meeting resumed at 13.10 hours on Thursday 23 June 1988.
26. The Adviser to the Representative of Canada (R. T. Lalande), on behalf of the Member Countries of Category I, made the following statement:

"Speaking as the Convenor and Representative of the Member Countries of Category I, I would like to reaffirm the wish of our category to see this Third Replenishment of IFAD's Resources reach a level sufficient to put the future of IFAD beyond doubt, on the basis of the partnership of the three categories upon which this Institution rests. We are convinced that time is pressing and that results should be reached rapidly; we would like to define our position more clearly in order to move the negotiations further forward.

In that light, it seems to us indispensable that the core of the Third Replenishment rests on the same basis as the Second Replenishment, which resulted in a contribution of US\$ 276 million from Category I and US\$ 184 million from Category II.

The special mechanism establishing a relationship for the Third Replenishment between contributions of Category I and Category III rests upon the goodwill and the sense of responsibility shown by Category III countries, which we welcome, and upon the corresponding effort to be made by Category I. Category I agrees with Category III, however, that this special mechanism cannot, in any event, constitute a mechanism that will partly substitute the contributions of Category III for those of Category II.

On that basis, the Member Countries of Category I are convinced that, if Category II can contribute US\$ 184 million and Members of Category III can fulfil their target of up to US\$ 75 million, the conditions would be created for attaining a total replenishment going well above US\$ 600 million towards a figure around the US\$ 750 million mentioned by the President at the First Session of the Consultation, depending on the overall results of the negotiations. Category I will set its own target accordingly."

27. The Representative of Switzerland (R. Pasquier) commented on the two figures mentioned in the statement by the Spokesman of Category I: US\$ 600 million and US\$ 750 million. The former was the floor figure set at the First Session. With the proposed system, Category I hoped to reach US\$ 750 million, the figure mentioned at the First Session as a far more satisfactory target.
28. The Representative of Belgium (A. Saintraint) supported the Representative of Switzerland, as it was obvious that Category I's purpose was to reach the US\$ 750 million figure requested by the President, but which was not a ceiling.

29. The Representative of Saudi Arabia (A. Y. A. Bukhari), on behalf of the Member Countries of Category II, understood that the statement of the Spokesman of Category I did not reflect its final position. He would like to refer specifically to two conditions in that statement which linked the contributions of the three categories. This linkage, that if Category II would maintain the level of its contributions to the Second Replenishment, Category I would match the contributions of Category III through a special mechanism, was neither appropriate nor sound, as it did not reflect sound international cooperation. The Spokesman of Category I had said that it would contribute US\$ 276 million and Category II should pay US\$ 184 million, as in the Second Replenishment. He felt that this did not constitute sufficient flexibility and, therefore, called on Category I to match the contributions of Category II with more than the figure given in its Spokesman's statement. The position of Category II would not change at the Third Session, until it had heard a complete and clear statement from Category I displaying the flexibility that it had said it accepted at the First Session.

30. The Representative of Norway (H. Hoestmark) believed that the statement of the Spokesman of Category I showed considerable flexibility and was a positive step forward. It showed that Category I envisaged a replenishment of up to about US\$ 750 million, which would commit it to an "additional effort of flexibility".

31. The Adviser to the Representative of Canada (R. T. Lalande), on behalf of the Member Countries of Category I, added that the text of the statement representing the position of Category I was in no way a set of conditions but rather the submission of a hypothesis: a proposition made as a basis for reasoning.

32. The Representative of The Congo (J. Tchicaya), on behalf of the Member Countries of Category III, said that Category III's proposals had been based on the belief that the minimum figure to be attained for the Third Replenishment was US\$ 760 million, but it did expect far more. Category III had set itself an ambitious target of US\$ 75 million in convertible currencies and its Members understood that Category I would be prepared to provide an adequate multiplier. So far, at the Second Session, no specific reply had been received concerning the multiplier target asked for in Geneva. As regards burden-sharing between Categories I and II, because of Category I's expressed readiness to show flexibility, Category III had proposed a ratio of 70 : 30 respectively. But it now seemed that this ratio had still to be discussed between Categories I and II. He was convinced Category II countries would make the necessary efforts. That was why Category III Members were already working on the basis of the positive initiative shown by certain Category II countries.

33. The Representative of the United Kingdom (J. L. F. Buist) felt that the suggestion that Category I had abandoned its offer of flexibility made at the First Session was not fair and nothing said at the Second Session by Members of Category I should be otherwise interpreted. However, when listening to the Spokesman of Category II, he had been disappointed because he appeared to say that there was more or less no way Category I would be able to maintain the proposition in figures. He therefore hoped that both Categories II and III would give weight to the work and discussion in which Category I had involved itself in trying to move things further forward.

34. The Representative of Canada (P. Krukowski) believed that the statement of the Spokesman of Category I was a reconfirmation that Category I was aiming at a level of replenishment that would enable the Fund to operate with a lending programme of over US\$ 900 million during the Third Replenishment.

35. The Representative of Colombia (G. Bula Hoyos) regretted that in Category I there was still a negative current preventing the Consultation from making progress. On the other hand, he acknowledged that several Category I Members had shown goodwill and satisfied him more than had the statement of the Spokesman of Category I. He failed to understand why a figure of US\$ 600 million had been indicated in the statement. He would prefer to see it completely eliminated from Category I's position. If the Consultation wished to make progress it should make a declaration on the following terms: That the minimum level of the Third Replenishment should be US\$ 760 million; that it acknowledged the efforts of Category III and requested countries to make additional efforts to reach the target of US\$ 75 million; that it requested Category II, despite its current difficulties, to endeavour to maintain its contribution at the level of the Second Replenishment; and that it agreed that Category I, without making any conditions, should make contributions to secure the minimum target of US\$ 760 million.

36. The Representative of the Libyan Arab Jamahiriya (B. El Mabrouk Said) said that the Spokesman of Category II had expressed the views of all its Members, who had hoped for greater flexibility from Category I. Nevertheless, the statement by the Spokesman of Category I could be considered as a step forward. He was also sure that, with the assistance of the President, many Category II countries, despite their economic difficulties, would be able to achieve an acceptable formula.

37. The Adviser to the Representative of Kenya (S. M. Guantai) supported the views expressed by the Spokesman of Category III. In particular, clear facts, especially in regard to the multiplier factor, were necessary for passing on to the 110 Member Countries of the category in order to encourage them to make further contributions to Category III's target figure of US\$ 75 million. He would also appreciate a clear indication that the minimum figure being aimed at by the Consultation for the Third Replenishment was above US\$ 750 million. He also hoped for greater flexibility between Categories I and II, particularly in regard to the ratio of burden-sharing but bearing in mind the economic problems confronting Category II. In this latter context, he hoped that the Category III "gesture target" of US\$ 75 million in convertible currencies would encourage Category II to maintain its contribution at the level of the Second Replenishment, since the gesture target was also intended to show Category III's recognition of the situation confronting Category II. In the same way, it was to be hoped that Category I's recognition of Category II's problems would be reflected in a higher contribution.

38. The Representative of the United States (R. M. Seifman) thought that the countries of Categories II and III would appreciate the efforts by Category I when they had read and digested the written text of its Spokesman's statement. Meanwhile, he could not fail to express his disappointment at the response so far by Category II. Meaningful progress in the Consultation's negotiations would only be achieved when Category II addressed itself to the level of the contribution it was prepared to make to a replenishment representing an acceptable critical mass.

39. The Representative of Switzerland (R. Pasquier), referring to the question of flexibility, said that, assuming that Category II would be able to contribute US\$ 184 million and that Category I produced the sum needed, bearing in mind its matching formula with Category III, to reach an approximate total of US\$ 750 million, then the ratio of contributions by Categories I and II respectively would be 70% and a little under 30% compared to the 60 : 40 ratio in the Second Replenishment - an enormous step forward by Category I. He hoped Category II would bear this new ratio in mind.

40. The Adviser to the Representative of Canada (R. T. Lalande), on behalf of the Member Countries of Category I, hoped that the Chairman would have success when contacting countries that have not made their intentions known. Category I would appreciate being informed of the results that he obtained as early as possible. He also suggested that the date of the Third Session might be brought forward perhaps to September, near the next session of the Executive Board. The Representative of Colombia had mentioned that Category I was aiming at a replenishment of US\$ 600 million. Category I had, from the beginning, aimed at a higher figure than US\$ 600 million. Matching, so far as Category I was concerned, would be a multiple. While he could not yet give any figure, because the text of his statement on behalf of Category I had been negotiated, the figure would obviously be more than a multiple of one. On a final point, in the minds of Category I, the sum that it would produce would, as a result of the matching formula, automatically change the 60 : 40 ratio of the Second Replenishment. In other words, the fact that two elements were involved meant that that ratio had been automatically superseded. While he could not give the Consultation the final ratio, the discussions between the categories had already modified it. Category I had shown flexibility.

41. The Representative of Algeria (Ms. F. Boumaiza) said that if Category II was disappointed it was because it had counted on a more positive, more flexible response than the statement read out by the Spokesman of Category I. If she understood the Representative of Switzerland correctly she did not see any change in the ratio of contributions between Categories I and II. She wanted to thank the countries of Category III for being the first to set out on the true path of negotiations and those of Category II who had already announced that they would maintain their contributions at the level of the Second Replenishment. She still earnestly hoped for a slightly more positive response from Category I and that it would abandon trying to join the two elements proposed by Category III. These were not linked. The first was in the form of a request for a multiplier by Category I of Category III's own contribution, the second was an appeal to Category II to endeavour to maintain its contribution at the same level as that in the Second Replenishment.

42. The Representative of Kuwait (A-K. Sadik) said that he had the impression that the Spokesman of Category I had made certain conditions. Later, these "conditions" appeared to have taken the form of hypotheses, which gave him a sense of relief. Category I had stressed that the essential objective was to secure a sufficient level of resources to guarantee the future of the Fund beyond doubt, which he thought was both reasonable and acceptable. He thanked Category III for its effort in this respect. Category I had said it was ready to match Category III

contributions and this was also a positive step. The Consultation, in its future discussions, should not consider together the questions, first, of matching Category III contributions and, second, the contributions of Category II vis-à-vis those of Category I. They should be separate. Category I should match the contributions of Category III and after that Category II should make a sufficient contribution to be matched by Category I but not according to pre-set ratios. It was his impression that that was the sense of what the Category II countries had meant when speaking of the matching formula. He believed that such a framework was appropriate because it would produce responses that would finally lead to concrete results.

43. The Representative of Saudi Arabia (A. Y. A. Bukhari), on behalf of the Member Countries of Category II, said that, while Category II did not expect that the current session of the Consultation should be the final or determining session in the negotiations for the Third Replenishment, it would assist both Categories II and III if the situation of Category I countries were more clear and transparent. He, therefore, asked Category I, firstly, if it agreed to US\$ 750 million as a level of replenishment and, secondly, if it agreed to matching the contributions of Category III by a multiplier of three or four. Thirdly, in regard to Category II countries, they had affirmed at the First Session that they would spare no effort to reach the level attained in the Second Replenishment. As a result, four Category II countries had already informed the Chairman that they could maintain their contributions at the level of the Second Replenishment. This was an example of the goodwill of Category II countries.

44. The Adviser to the Representative of Canada (R. T. Lalonde), on behalf of the Member Countries of Category I, replied to the Spokesman of Category II that he could at that moment only refer him to the prepared text of his statement, which said that according to Category I the total replenishment would be well above US\$ 750 million. But of course the sentence depended on the overall result of the negotiations in which they were still engaged and from which Category I needed information from their partners in Categories II and III. Category I considered that the overall amount reached would depend on the negotiations. On the second question, from the fourth paragraph of Category I's statement, he would say that the figure of US\$ 750 million was close to, if not precisely, a matching ratio of three to one from Category I. But essentially at that moment they were not committing themselves to any matching ratio but only to participating in the negotiations in a very positive manner.

45. The Representative of The Congo (J. Tchicaya), on behalf of the Member Countries of Category III, agreed that the Consultation had to set a target, be it US\$ 750 million or US\$ 760 million, and that each category must decide the portion for which it would be responsible. Category III was contributing US\$ 75 million and suggested that the other two categories should make the same contributions as in the Second Replenishment. He asked why the figure of US\$ 600 million still appeared in the statement of Category I, as it was out of place. If Category I could agree, he felt that it could be dropped so that negotiations might concentrate on the higher figure of around US\$ 750 million. If the Consultation were to choose US\$ 750 million or US\$ 760 million as its figure it would take an important step forward in the Third Replenishment. Otherwise it would remain with generalities.

46. The Chairman said, in conclusion, that he would give some figures concerning the replenishment. If the Consultation were to base itself on the US\$ 760 million figure mentioned by the Spokesman of Category III, which was similar to that of Category I, the contribution percentages would be 65.9% for Category I, 24.2% for Category II and 9.9% for Category III, on the assumption of a matching ratio of 3 : 1 applied by Category I to the contribution offered by Category III, that Category II maintained its contribution at the level of the Second Replenishment, and that Category I did the same. Thus the percentages he had given would compare to 58.0%, 39.0% and 3.0% respectively for the Second Replenishment.

Agenda Item 4: Draft Resolution on the Third Replenishment of IFAD's Resources

47. This item was not discussed.

Agenda Item 5: Date for the Third Session of the Consultation on the Third Replenishment of IFAD's Resources

48. After a discussion on the date for the Third Session of the Consultation, it was decided that the dates of 26 and 27 October be adopted as indicative dates but that the President would consult with the Spokesmen of the three categories if a change was warranted. Meanwhile the Secretariat could plan the Third Session on the basis of those dates and make arrangements for the necessary facilities.

Agenda Item 6: Other Related Matters

49. The Chairman believed that the Consultation had further identified the points on which greater clarification was needed. The issue of ratios was important but it had not been possible to achieve a final position on it despite the indications given. He hoped it would be forthcoming at the Third Session, not only in regard to ratios but also on the levels of contribution. The level of contributions already assured had reached US\$ 50.4 million from 48 Category III countries. He expressed his appreciation to those members of the Consultation who had made announcements of contributions, in particular Members of Category III. He had received various telexes, including those from Mauritius and Madagascar, and the Representative of Cameroon had informed him of his country's contribution. He hoped that the example of Category III Members would encourage others to act likewise so as to bring about an agreement on the Third Replenishment at the Third Session of the Consultation, which would be its final session before reporting to the Governing Council. He felt there must be a clear understanding by all Members concerning their possibilities and about the ratios so as not to prejudice negotiations at the Third Session. Meanwhile, he and his colleagues in the Secretariat undertook to carry out further travel to elicit the position of Member Countries. He was thankful for the positive responses he had so far received from them. The issue of the Third Replenishment was of common concern and those Member Countries who had already taken a position were, he thought, well placed to help in the further development of the process. He undertook to keep Members informed, as in the past, of positive developments but of course he was not authorised to speak in the name of any Member State. In the same way he asked Members to keep him informed of any positive reactions they might receive in their contacts.

50. The Chairman thanked all the members of the Consultation for their cooperation and declared the session closed.

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Consultation on the Third Replenishment of IFAD's Resources

Second Session

Rome, 22-23 June 1988

قائمة بالمشاركين في الدورة الثانية
لهيئة المشاورات الخاصة بالتجديد الثالث لموارد
المندوق الدولي للتنمية الزراعية

LIST OF PARTICIPANTS AT THE SECOND SESSION
OF THE CONSULTATION ON THE THIRD REPLENISHMENT
OF IFAD'S RESOURCES

LISTE DES PARTICIPANTS A LA DEUXIEME SESSION
DE LA CONSULTATION SUR LA
TROISIEME RECONSTITUTION DES RESSOURCES DU FIDA

LISTA DE PARTICIPANTES AL SEGUNDO PERIODO DE SESIONES
A LA CONSULTA SOBRE LA TERCERA REPOSICION
DE LOS RECURSOS DEL FIDA

أعضاء هيئة المشاورات

CONSULTATION MEMBERS

MEMBRES DE LA CONSULTATION

MIEMBROS DE LA CONSULTA

ALGERIA

Membre Mme Faouzia BOUMAIZA
Deuxième Secrétaire
Ambassade de la République
algérienne démocratique
Rome

ARGENTINA

Miembro Roberto Eugenio Emilio DALTON
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ANNEX II

LIST OF DOCUMENTS PLACED BEFORE
THE CONSULTATION ON THE THIRD REPLENISHMENT
OF IFAD'S RESOURCES AT ITS SECOND SESSION

<u>Document No.</u>	<u>Agenda Item</u>	<u>Title</u>
REPL.III/2/L.5	2	Provisional Agenda
REPL.III/2/L.6	4	Draft Resolution on the Third Replenishment of the Resources of the International Fund for Agricultural Development
REPL.III/2/INF.1		Arrangements for the Second Session of the Consultation on the Third Replenishment of IFAD's Resources
REPL.III/2/INF.4 + Rev.1		Provisional List of Participants at the Second Session of the Consultation on the Third Replenishment of IFAD's Resources
REPL.88/III/1/L.2		Background to the Third Replenishment of IFAD's Resources
REPL.88/III/1/L.3/Rev.1		Report of the Chairman on the Preliminary Findings of the High-level Intergovernmental Committee on IFAD's Future Financial Basis and Structure
REPL.88/III/1/L.4		Projected Levels of Resource Reflows of IFAD
REPL.88/III/1/INF.2		Resolution 37/IX of the Governing Council on the Second Replenishment of the Resources of IFAD
REPL.88/III/1/INF.3		IFAD's Liquidity Level and Growth in the Portfolio of Cash and Investments
REPL.88/III/1/INF.4		Technical Assistance Special Facility
REPL.88/III/1/INF.5		President's Report on IFAD's Future Financial Basis and Structure
REPL.88/III/1/INF.10		Procurement Benefits from IFAD's Operations
REPL.III/1/SR		Chairman's Summary Record of the First Session of the Consultation on the Third Replenishment of IFAD's Resources



Consultation on the Third Replenishment of IFAD's Resources

Second Session

Rome, 22 - 23 June 1988

Agenda Item 2

AGENDA

1. Opening Statement by the President
2. Adoption of the Agenda (REPL.III/2/L.5/Rev.1)
3. Consultation on the Third Replenishment of IFAD's Resources
(REPL.88/III/1/L.2, REPL.88/III/1/L.3/Rev.1 and REPL.88/III/1/L.4)
4. Draft Resolution on the Third Replenishment of IFAD's Resources
(REPL.III/2/L.6)
5. Date for the Third Session of the Consultation on the Third
Replenishment of IFAD's Resources
6. Other Related Matters