

Financing data and resource mobilization

Resources in 2014

IFAD's financing is drawn from several sources. These mainly include contributions from Member States and other donors, investment income and loan reflows. Member State contributions come through regular replenishments held every three years. Member States also request IFAD to administer their donations to third parties in the form of supplementary funds.

Tenth Replenishment of IFAD's Resources (2016-2018)

The Consultation on the Tenth Replenishment of IFAD's Resources (IFAD10) began in February 2014 immediately after the 37th session of the Governing Council. During the year, IFAD's Member States held four Consultation sessions on IFAD10, during which priorities for action and policy direction were agreed.

The Consultation agreed to a target of US\$1.44 billion in new contributions to finance agriculture and rural development projects across the developing world. The target will enable IFAD to deliver a programme of work of about US\$3.0 billion over the period 2016-2018, during which we plan to expand our reach to up to 130 million rural people. Some 40 to 50 per cent of these resources will be channelled to sub-Saharan Africa.

The injection of new funds from Member States confirms IFAD's key role in the overall international development architecture as an effective organization delivering results in the area of food security and livelihoods, especially for the poorest people in rural areas.

Total contribution pledges to IFAD10 as of 31 December 2014 amounted to more than US\$1.02 billion, representing 71 per cent of the IFAD10 target of US\$1.44 billion.

Ninth Replenishment of IFAD's Resources (2013-2015)

2014 was the second year of IFAD's Ninth Replenishment (IFAD9) period. As of 31 December 2014, total pledges – including complementary contributions – amounted to more than US\$1.4 billion, representing 95 per cent of the IFAD9 target of US\$1.5 billion. Instruments of contributions (IOCs) received (including payments with no prior IOC deposit) amounted to more than US\$1.4 billion, representing 98 per cent of total pledges of regular and complementary contributions.

Additional resource mobilization

Acknowledging the need to expand investment in rural people as we move towards the post-2015 SDGs, during 2014 IFAD stepped up efforts to explore resource mobilization from new sources and through new modalities. While core contributions through the replenishment process remain the main form of financing for the operations we support, several new partnerships were forged, which diversified our resource mobilization portfolio.

Borrowing from sovereign sources

Responding to a strong demand for resources from Member States, we established an innovative partnership with Germany's KfW Development Bank (*Kreditanstalt für Wiederaufbau*). Under the agreement, IFAD has access to up to €400 million of sovereign debt in 2014 and 2015 to finance projects within the ordinary loans portfolio. This will allow regular resources to be freed up and reallocated on highly concessional terms to those countries that are eligible, ensuring that all IFAD borrowing countries benefit.

TABLE 2
IFAD at a glance, 1978-2014^{a, b}

		2010	2011	2012	2013	2014	1978-2014
Operational activities^{c, d}							
Loan and DSF grant approvals							
Number of programmes and projects		32	34	33	25	26	974
Amount	US\$ million	777.7	947.2	960.7	731.1	625.8	15 139.4
Grant approvals							
Number		88	83	90	63	64	2 615
Amount	US\$ million	51.2	50.4	71.5	50.0	51.1	970.1
ASAP Trust Fund							
Number		-	-	1	10	10	21
Amount	US\$ million	-	-	4.9	103.0	83.0	190.9
Total IFAD loan and grant operations	US\$ million	828.9	997.6	1 037.1	884.1	759.9	16 300.4
Cofinancing	US\$ million	662.2	412.2	420.3	329.8	238.0	10 064.7
Multilateral		565.2	213.2	153.3	207.1	128.0	7 638.1
Bilateral		74.5	159.4	183.0	87.8	4.2	1 727.9
NGO		10.4	-	3.5	-	0.9	52.0
Other ^e		12.2	39.6	80.5	34.9	104.9	646.7
Domestic contributions	US\$ million	924.8	834.3	599.5	552.7	601.4	13 390.0
Total programme and project cost^f	US\$ million	2 370.2	2 198.3	2 003.0	1 720.2	1 552.8	38 892.9
Programmes and projects							
Number of effective programmes and projects under implementation		231	238	256	241	224	-
Number of programmes and projects completed		21	26	21	43	45	730
Number of programmes and projects in pipeline		74	64	79	84	62	-
Number of approved programmes and projects initiated by IFAD		27	32	32	24	26	810
Number of recipient countries/territories (current portfolio)		96	97	99	98	99	-
Loan disbursements	US\$ million	457.6	549.7	534.4	482.2	484.7	9 402.5
DSF grant disbursements	US\$ million	39.4	76.3	118.4	142.5	157.4	556.5
Loan repayments^g	US\$ million	274.6	287.5	267.5	261.1	271.3	5 022.1 ^h
Membership and administration							
Member States – at end of period		165	167	169	172	173	-
Professional staff – at end of period ^{i, j}		260	298	312	321	344	-

Sources: Grants and Investment Projects System; IFAD financial statements for 1978-2014; IFAD's accounting system.

^a IFAD loans and debt sustainability framework (DSF) grants for investment programmes and projects are denominated in special drawing rights (SDRs). For the reader's convenience, tables and charts use figures shown in US\$ equivalents, as per the President's report for each programme or project approved by the Executive Board. Any discrepancy in totals is the result of rounding.

^b 1986-1995 figures include the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification.

^c Excludes fully cancelled programmes and projects. Excludes the Programme Development Financing Facility.

^d The Smallholder Commercialization Programme approved in 2011 for Sierra Leone is supervised by IFAD and entirely funded by a grant from the Global Agriculture and Food Security Program. The programme is counted under the number of programmes and projects but receives no IFAD financing.

^e Includes financing under basket or similar funding arrangements, financing from private-sector resources and financing that was not confirmed at the time of Executive Board approval.

^f Includes DSF grants and component grants and excludes grants not related to investment projects.

^g Loan repayments relate to principal repayments and include repayments on behalf of Heavily Indebted Poor Countries Debt Initiative countries.

^h Based on SDR equivalent as at 31 December 2014.

ⁱ Approved positions (excluding those of the President and Vice-President).

^j Includes National Professional Officers in country offices.

New partnerships

In addition to our traditional partnerships, we continued to build new relationships with private-sector actors. These included private foundations, ethical investors and private companies. IFAD's key role in this area is as a broker to help reduce risk and catalyse more private-sector investment in rural development. We also support the development of inclusive agriculture-based value chains that are commercially viable and sustainable and that benefit rural communities.

During 2014, IFAD worked with an increasing number of local, regional and global agribusinesses. We signed two memorandums of understanding with global corporations: Intel Corporation and Unilever. With Intel, we will be utilizing and promoting innovative agricultural extension software designed specifically for rural smallholders. With Unilever, the goal is to promote sustainable sourcing of agricultural produce and improved livelihoods by raising productivity and helping farmers connect to markets.

IFAD established a new strategic partnership with the Cooperation Council for the Arab States of the Gulf on sharing knowledge and building collaboration on natural resource management and other environmental issues. We also started to cooperate with the European Bank for Reconstruction and Development on pursuing innovative financing mechanisms, including with the private sector. In addition, we established a partnership with the Export-Import Bank of Korea to collaborate on country-level investments, national capacity strengthening, policy dialogue and knowledge management.

We explored potential partnerships with relevant institutions to capitalize on complementarities. These institutions included the United Nations Industrial Development Organization; the China-Africa Development Fund, with which we signed a joint declaration of intent; and the *Banco de Desarrollo de América Latina* (Development Bank of Latin America), with which we are pursuing cofinancing opportunities.

Partnership opportunities were also explored with a number of other global companies and with social businesses such as Japan's Euglena Company. In addition, we continued to support country-level cooperation with hundreds of small and medium-sized enterprises through the projects we fund.

We strengthened our existing partnerships with numerous farmer organizations, including our strong collaboration with AgriCord; indigenous peoples' groups, particularly in preparation for the 2015 Indigenous Peoples' Forum; and the Asian Development Bank to operationalize the memorandum of understanding signed in 2013.

During 2014, IFAD continued to advocate for a constructive and equitable role for smallholder farmers in inclusive business models, and for responsible business principles. We supported endorsement of the United Nations Committee on World Food Security's Principles for Responsible Agricultural Investment, and the United Nations Global Compact's food and agriculture business principles for helping to turn guidelines into action for smallholders (see page 30).

We made important progress in implementing IFAD's partnership strategy. We assessed existing tools for supporting partnership-building and monitoring performance. We developed due diligence guidelines for engagement with the private sector. And we created communication and training modules to strengthen individual and institutional capabilities to assess, build and manage strategic partnerships.

Supplementary funds

Supplementary funds are grant resources administered by IFAD upon the request of donors for the benefit of IFAD developing Member States. They are mostly earmarked for specific cofinancing initiatives and projects, as indicated in the individual agreements between IFAD and the donors concerned.

The agreements reached during 2014 were with partners including the European Commission, the Saudi Fund for Development and the Governments of Canada, Estonia, France and New Zealand. These agreements support food production, agriculture risk and natural resource management, gender mainstreaming, value chains and development of small and medium-sized enterprises. In 2014, IFAD also contributed to the mobilization of resources from Norway and Sweden to support the United Nations Development Programme Multi-Partner Trust Fund (MPTF) – established in 2014 by the three Rome-based agencies and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)

for their Joint Programme on Accelerating Progress towards the Economic Empowerment of Rural Women (RWEE-JP). To ensure access to cofinancing for RWEE-JP in Ethiopia, in 2014 IFAD adhered to the MPTF established to support the Sustainable Development Goals Fund. The Flemish International Cooperation Agency signed its first agreement with IFAD on providing supplementary funds to the ASAP Trust Fund.

In 2014, IFAD mobilized a total of US\$62.6 million in supplementary funds and received US\$71.0 million under agreements signed in 2014 and previous years. Table 3 shows supplementary funds received during the year.

Ongoing portfolio

IFAD's investment in ongoing programmes and projects in rural areas was worth US\$5.4 billion in 2014 (Table 4). At the end of the year, there were 224 programmes and projects at work around

the world, funded by IFAD in partnership with 99 recipient governments (see map inside front cover). External cofinancing and funds from domestic sources for the ongoing portfolio amounted to US\$6.9 billion, bringing the total value of these programmes and projects to US\$12.3 billion.

The ongoing portfolio of grant-funded operations was worth US\$234.2 million at the end of 2014, with 272 grants operational in 128 countries.¹ IFAD stand-alone grants support research, innovation, institutional change and pro-poor technologies. They are closely linked to our country programmes and often support connections between different initiatives in a country. Grant recipients include research organizations, centres of excellence involved in rural poverty reduction, NGOs, governments, and private sector and civil society organizations. (To learn more about IFAD's grant programme, and read stories from the field, see <http://www.ifad.org/pub/ar/2014/e/8.pdf>.)

TABLE 3
Summary table of supplementary funds for thematic and technical assistance and cofinancing received in 2014^a
(Amounts in US\$ million, at USD/EUR fixed exchange rate =1.25)

Donor	Thematic and technical assistance	Cofinancing (excluding parallel cofinancing)	Total
CGIAR	16.1	-	16.1
Farmers Fighting Poverty/AFRICA Support to Farmers' Organizations in Africa Programme	4.5	-	4.5
Technical Assistance Facility	4.7	-	4.7
Financing Facility for Remittances	2.1	-	2.1
Burundi	0.5	-	0.5
	-	10.5	10.5
European Commission total	28.0	10.5	38.6
GAFSP – Togo	-	6.0	6.0
GAFSP – Burundi	-	4.3	-
Canada	-	4.7	4.7
Estonia	0.1	-	-
Italy	-	2.0	2.0
Denmark	-	1.9	1.9
Flemish International Cooperation Agency	1.3	-	1.3
Germany	0.3	0.9	1.2
France	1.4	-	1.4
Netherlands	4.2	1.8	6.0
Republic of Korea	0.5	-	0.5
New Zealand	0.4	-	0.4
Bill & Melinda Gates Foundation	0.2	-	0.2
Multi-Partner Trust Fund (RWEE)	0.2	-	0.2
OFID – Somalia	-	0.2	0.2
OFID – Ghana	-	0.04	0.04
Switzerland	2.0	-	2.0
Total	38.5	32.5	71.0

Source: IFAD financial systems.

GAFSP = Global Agriculture and Food Security Program; OFID = OPEC Fund for International Development; RWEE = Economic Empowerment of Rural Women.

^a Any discrepancy in totals is the result of rounding.

¹ This does not include DSF grants or grants funded by supplementary or complementary funds.

Cofinancing of IFAD-supported programmes and projects

Cofinancing from our partners multiplies the value of the development interventions that we invest in. This includes domestic contributions from recipient governments and project participants themselves, and resources from bilateral and multilateral donors.

Levels of cofinancing are affected by many external factors and may vary greatly from year to year. In 2014, domestic contributions provided the bulk of cofinancing for newly approved projects and amounted to US\$601.4 million, an increase on the US\$552.7 million of 2013 (Table 5). External cofinancing in 2014 amounted to a total of US\$238.0 million, which included US\$128.0 million from multilateral partners and US\$104.9 million from other sources such as private-sector resources and basket funding (Chart 6).

Chart 7 ranks bilateral donors to programmes and projects initiated by IFAD, with Spain, the Netherlands, Belgium, Germany and France at the top of the chart. Together, they have provided about 70 per cent of total bilateral cofinancing to IFAD-initiated projects, worth US\$1.1 billion since we started work in 1978.

Chart 8 shows the top 15 multilateral cofinanciers of IFAD-initiated programmes and projects to date. The list is headed by the OPEC Fund for International Development (OFID), the African Development Bank, the International Bank for Reconstruction and Development (part of the World Bank Group) and the Arab Fund for Economic and Social Development. Together, these four represent more than 50 per cent of total multilateral cofinancing of US\$2.9 billion.

Priority country and regional financing

We continue to prioritize assistance to least developed countries and countries with low food security. Of 2014 programme and project financing, 54.3 per cent was for low-income, food-deficit countries as classified by FAO, and 40.7 per cent for least developed countries as classified by the United Nations. Table 6 shows financing by region since 1978 and Chart 9 shows regional financing for 2014.

Financing by sector

Chart 10 shows how the funding for our current portfolio is divided by sector. About one third of investments support agriculture and natural resource management, enabling farmers to increase their production and make more sustainable and efficient use of natural resources. About 16 per cent of funds invested in the current portfolio support work to strengthen markets and related infrastructure, which are vital for rural people to make a decent income from their produce. Rural financial services account for 13 per cent of funds invested, enabling rural women and men to build their businesses and manage risks.

Allocation of programme and project financing by instrument and terms

Loans on highly concessional terms continue to make up the bulk of our financing for investment programmes and projects (Table 7).² About 50 per cent of new financing approved during the year was in the form of highly concessional loans – worth a total of US\$309.8 million. Ordinary loans made up 26.5 per cent of the total, followed by debt sustainability framework (DSF) grants with 12.1 per cent and blend loans with 11.9 per cent (Chart 11).

As a share of our cumulative financing portfolio since 1978, highly concessional loans and DSF grants represent about 74 per cent of the total. Table 8 shows investments by terms and region.

Disbursements

Disbursements of IFAD loans and DSF grants amounted to US\$642.1 million in 2014 (Tables 9 and 10). Over the period 1979-2014, cumulative disbursements of loans under the Regular Programme amounted to US\$9,402.5 million, representing 76 per cent of effective commitments at the end of 2014 (Table 11). This compared with US\$8,917.8 million disbursed at the end of 2013, which also made up 76 per cent of effective commitments.

² IFAD provides loans on five different types of lending terms: highly concessional loans that carry no interest charge, have a service charge of 0.75 per cent and are repaid over 40 years; loans on hardened terms that carry no interest charge, have a service charge of 0.75 per cent and are repaid over 20 years; intermediate loans that carry a variable interest charge equivalent to 50 per cent of the reference interest rate and are repaid over 20 years; ordinary loans that carry a variable interest charge equal to the reference interest rate and are repaid over 15-18 years; blend loans that are free of interest but carry a service charge of 0.75 per cent per annum plus a spread, and are repaid over 20 years.

TABLE 4
Ongoing programme and project portfolio by region^a
As at end December 2014

	Number of programmes and projects	IFAD financing ^b (US\$ million)
West and Central Africa	47	1 076.5
East and Southern Africa	43	1 212.9
Asia and the Pacific	56	1 752.8
Latin America and the Caribbean	42	617.4
Near East, North Africa and Europe	36	698.2
Total^c	224	5 357.9

Source: Grants and Investment Projects System.

^a The ongoing portfolio consists of approved programmes and projects that have reached effectiveness and have not yet been completed.

^b Amounts as per the President's report for each programme or project approved by the Executive Board. Amounts include loans, DSF grants, ASAP grants and component grants for investment programmes and projects. Grants unrelated to programmes and projects are not included.

^c Any discrepancy in totals is the result of rounding.

TABLE 5
Financing of IFAD-supported programmes and projects, 1978-2014
Amounts in US\$ million

	1978-2000	2001-2006	2007-2012	2013	2014	1978-2014
IFAD ^{a, b}	6 922.7	2 511.0	4 453.5	837.7	713.4	15 438.3
Cofinanced ^c	6 140.1	904.0	2 452.8	329.8	238.0	10 064.7
Domestic	7 330.9	1 651.3	3 253.7	552.7	601.4	13 390.0
Total^{d, e}	20 393.7	5 066.2	10 159.9	1 720.2	1 552.8	38 892.9
Number of programmes and projects ^f	578	152	193	25	26	974

Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project approved by the Executive Board. Financing for programmes and projects includes loans, DSF grants, ASAP grants and component grants. It does not include other grants unrelated to programmes and projects.

^b Figures include IFAD financing for Indonesia's National Programme for Community Empowerment in Rural Areas approved in 2008.

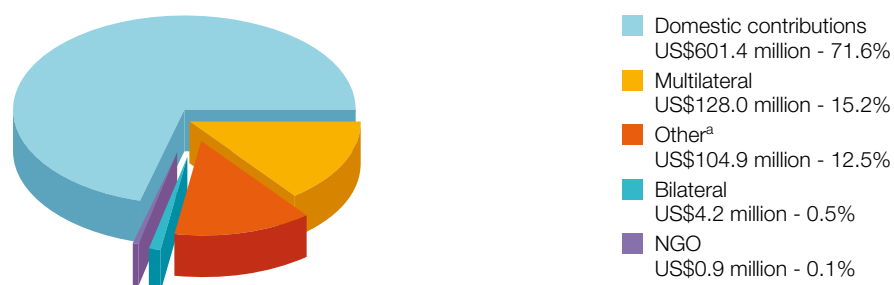
^c Includes cofinancing that may not have been confirmed at the time of Executive Board approval.

^d Total amounts may include additional financing for programmes and projects previously approved.

^e Any discrepancy in totals is the result of rounding.

^f Fully cancelled or rescinded programmes and projects are not included.

CHART 6
Cofinancing of IFAD-supported programmes and projects, 2014
Share of total of US\$839.4 million

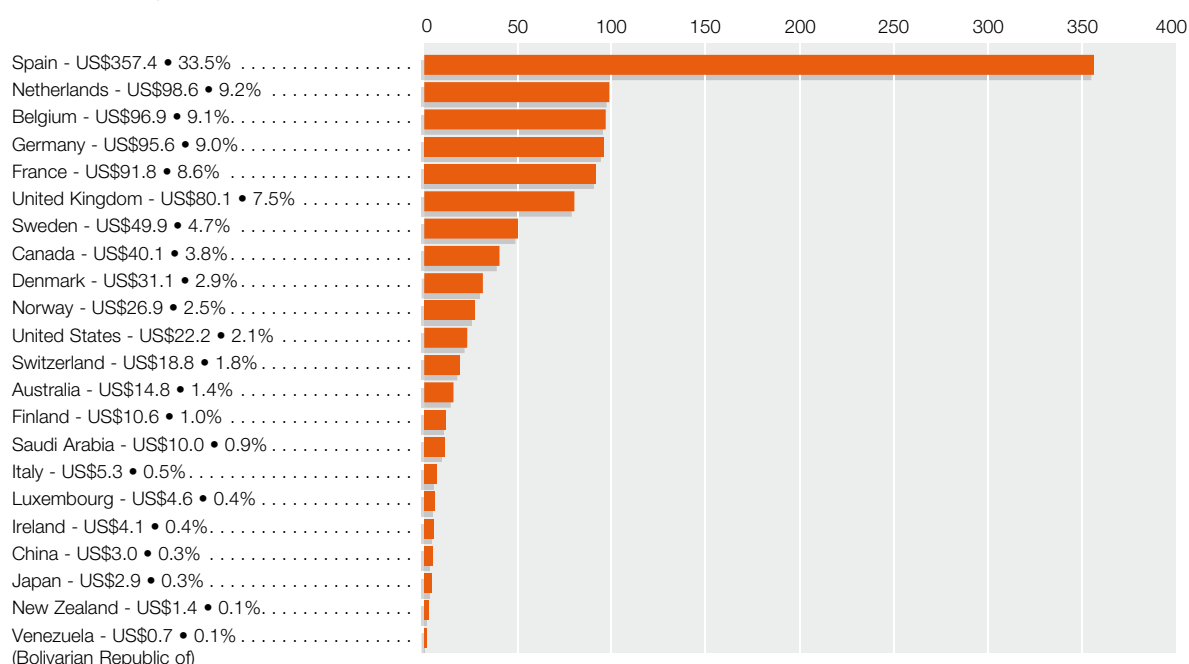


Source: Grants and Investment Projects System.

^a Other cofinancing includes financing under basket or similar funding arrangements, financing from private-sector resources and financing that was not confirmed at the time of Executive Board approval.

CHART 7**Cofinancing of IFAD-initiated programmes and projects by donor Member States (bilateral), 1978-2014^a**

Amounts in US\$ million

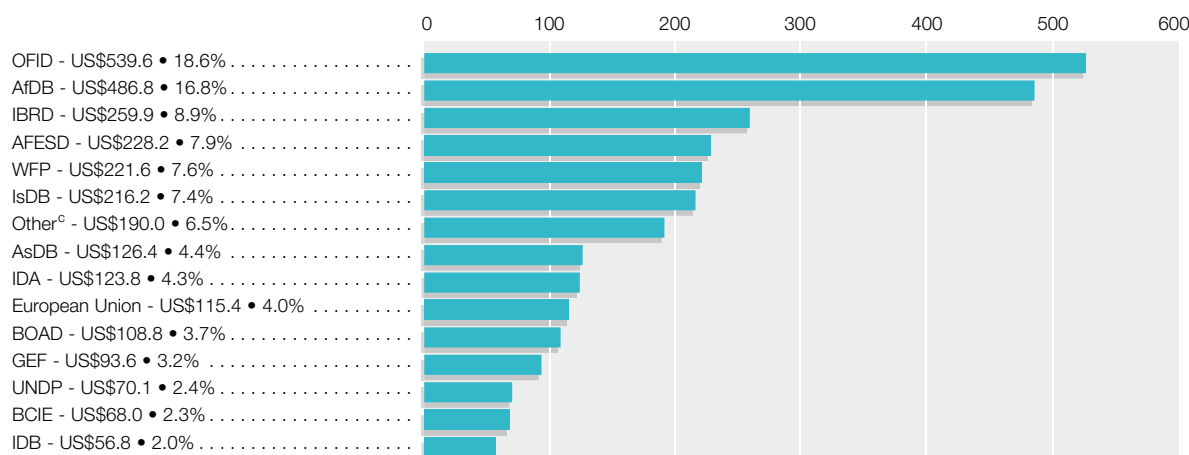


Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project presented to the Executive Board. Any discrepancy in totals is the result of rounding. The amounts and percentages shown here represent the share of each bilateral in total bilateral cofinancing of US\$1,066.8 million. Bilateral participation in basket or similar funding arrangements is not included.

CHART 8**Cofinancing of IFAD-initiated programmes and projects by multilateral donors, 1978-2014^{a, b}**

Amounts in US\$ million



Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project presented to the Executive Board. Any discrepancy in totals is the result of rounding. The amounts and percentages shown here represent the share of each multilateral in total multilateral cofinancing of US\$2,905.0 million. Multilateral participation in basket or similar funding arrangements is not included.

^b ADB = Asian Development Bank; AfDB = African Development Bank; AFESD = Arab Fund for Economic and Social Development; BCIE = Central American Bank for Economic Integration (*Banco Centroamericano de Integración Económica*); BOAD = West African Development Bank (*Banque Ouest Africaine de Développement*); GEF = Global Environment Facility; IBRD = International Bank for Reconstruction and Development; IDA = International Development Association; IDB = Inter-American Development Bank; IsDB = Islamic Development Bank; OFID = OPEC Fund for International Development; UNDP = United Nations Development Programme; WFP = World Food Programme.

^c Other cofinanciers include: Andean Development Corporation (*Corporación Andina de Fomento*); Arab Authority for Agricultural Investment and Development; Africa Fund; Arab Bank for Economic Development in Africa; Caribbean Development Bank; Economic Community of West African States (ECOWAS) Bank for Investment and Development; Food and Agriculture Organization of the United Nations; Global Agriculture and Food Security Program; Inter-American Institute for Cooperation in Agriculture; International Finance Corporation; International Labour Organization; Strategic Climate Fund; United Nations Capital Development Fund; United Nations Children's Fund; United Nations Development Fund for Women (UNIFEM) (now United Nations Entity for Gender Equality and the Empowerment of Women [UN Women]); United Nations Fund for Drug Abuse Control; United Nations International Drug Control Programme; and United Nations Population Fund.

Managing IFAD's liquidity, cash flow and financial policies

IFAD manages US\$1.7 billion for the regular programme of work and US\$0.6 billion for supplementary programmes and trust funds. As projected, regular resources declined over the year owing to net outflows and foreign exchange movements. The balance for other funds remains stable.

In 2014, the volume of cash transactions was in line with the previous year's activities. Regular programme transactions amounted to US\$4.0 billion and non-regular transactions reached US\$2.0 billion. Driven by expansion of the regular and non-regular programme of work, yearly average cash transactions over the IFAD9 period show a 7 per cent increase compared with the IFAD8 period. During the year, IFAD started a review of internal financial systems as part of systematic strengthening of risk management. The review will be completed in 2015.

To mitigate the impact of the low interest rate environment and improve support for sustainable cash flow, liquidity management was enhanced in terms of both financial projections and banking arrangements.

An independent review of asset allocation for the After-Service Medical Care Scheme portfolio was carried out to validate the current investment strategy. The review confirmed that current asset allocation and strategy are close to optimal. The recommendation for developing a separate Investment Policy Statement tailored to the specific nature of this portfolio has been implemented, and the new policy will be presented to the Governing Council in 2015.

As co-chair of the Finance and Budget Network Working Group on Common Treasury Services, IFAD continues to play a leading role in United Nations efforts to increase the operational efficiency of treasuries. We also host the dedicated website, which continues to be the principal forum for interaction among United Nations treasuries.

In line with the corporate focus on IFAD's presence in the countries where we operate (see map inside front cover), legal and administrative procedures were finalized in Ghana and a local bank account was opened for the new IFAD country office.

TABLE 6
IFAD financing by region, 1978-2014^{a, b}
Amounts in US\$ million

	1978-2000	2001-2006	2007-2012	2013	2014	1978-2014
West and Central Africa						
Total amount	1 207.6	454.9	857.7	244.8	157.8	2 922.8
Number of programmes and projects	127	35	41	5	6	214
East and Southern Africa						
Total amount	1 194.2	489.5	1 067.4	174.7	94.9	3 020.7
Number of programmes and projects	105	30	37	5	4	181
Asia and the Pacific						
Total amount	2 262.4	769.4	1 432.9	227.2	269.5	4 961.4
Number of programmes and projects	145	37	48	6	8	244
Latin America and the Caribbean						
Total amount	1 100.5	375.8	465.9	107.1	4.0	2 053.3
Number of programmes and projects	103	21	32	5	1	162
Near East, North Africa and Europe						
Total amount	1 158.0	421.4	629.5	83.9	187.3	2 480.1
Number of programmes and projects	98	29	35	4	7	173
Total IFAD financing^c	6 922.7	2 511.0	4 453.5	837.7	713.4	15 438.3
Total number of programmes and projects^d	578	152	193	25	26	974

Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project approved by the Executive Board. Financing for programmes and projects includes loans, DSF grants, ASAP grants and component grants. It does not include other grants unrelated to programmes and projects.

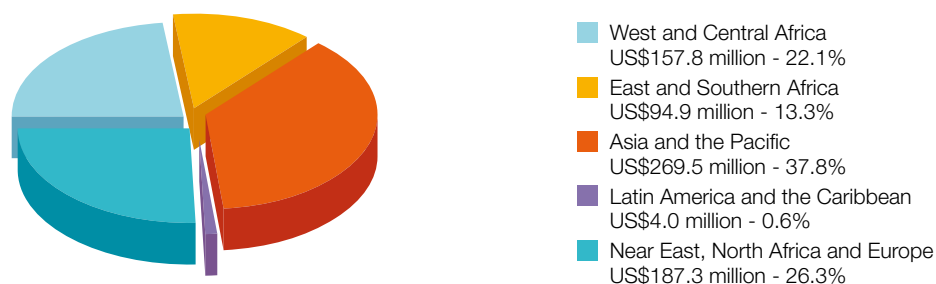
^b Total amounts may include additional financing for programmes and projects previously approved.

^c Any discrepancy in totals is the result of rounding.

^d Fully cancelled or rescinded programmes and projects are not included.

CHART 9**Regional distribution of IFAD financing for programmes and projects approved in 2014^a**

Share of total of US\$713.4



Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project approved by the Executive Board. Financing for programmes and projects includes loans, DSF grants, ASAP grants and component grants. It does not include other grants unrelated to programmes and projects.

CHART 10**IFAD current portfolio financing by sector (at end 2014)**

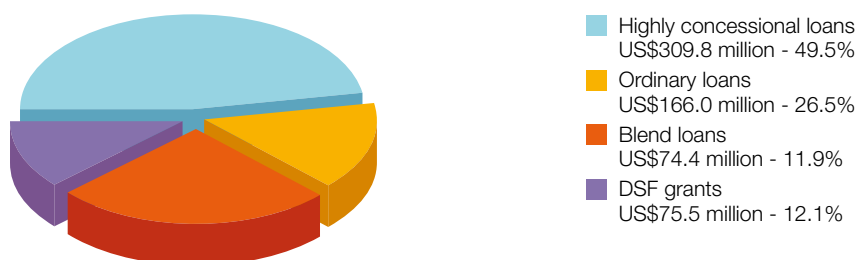
Source: Grants and Investment Projects System.

^a Agriculture and natural resource management includes irrigation, rangelands, fisheries, research, extension and training.

^b Other includes communications, culture and heritage, disaster mitigation, energy production, monitoring and evaluation, management and coordination, and post-crisis management.

CHART 11**IFAD loans by lending terms, and DSF grants, 2014^a**

Share of total of US\$625.8 million



Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project approved by the Executive Board. Amounts include Regular Programme loans, Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification loans, and DSF grants.

IFAD's approach and support to debt relief and debt management

Debt relief and debt management make an important contribution to reducing poverty. During 2014, IFAD continued to give full support to work at the international level addressing the existing debt of poor countries through the Heavily Indebted Poor Countries (HIPC) Debt Initiative. We also continued to use our debt sustainability framework to ensure that vulnerable countries did not accumulate future debt.

Since the HIPC Debt Initiative was set up, many countries have made substantial progress in gaining access to debt relief. More than 89 per cent of eligible countries (35 out of 39) have passed their decision points, qualifying for HIPC Debt Initiative assistance from IFAD. A total of 34 countries have reached completion point – at which they receive full and irrevocable debt reduction. One country is in the interim period between the decision and completion points.

Our total commitments so far amount to approximately US\$687.2 million of debt service relief in nominal terms. As at 31 December 2014, IFAD had provided US\$543.5 million in debt relief to the 34 completion-point countries, in nominal terms.

During 2014, 12.1 per cent of the total value of approved financing for investment programmes and projects was in the form of DSF grants. Eight grants were approved, for a total value of US\$75.5 million (Table 7).

TABLE 7
Summary of IFAD loans by lending terms, and of DSF grants, 1978-2014^a
Amounts in US\$ million

	1978-2000	2001-2006	2007-2012	2013	2014	1978-2014
DSF grants						
Amount	-	-	1 007.8	160.9	75.5	1 244.2
Number of grants	-	-	81	14	8	103
Highly concessional loans						
Amount	4 748.8	2 078.7	2 338.4	435.9	309.8	9 911.7
Number of loans	414	131	128	18	15	706
Hardened loans						
Amount	-	-	59.1	-	-	59.1
Number of loans	-	-	5	-	-	5
Intermediate loans						
Amount	1 422.0	183.8	368.9	-	-	1 974.7
Number of loans	121	12	15	-	-	148
Blend loans						
Amount	-	-	-	29.3	74.4	103.7
Number of loans	-	-	-	2	3	5
Ordinary loans						
Amount	695.3	251.7	628.0	105.0	166.0	1 846.0
Number of loans	55	13	41	5	6	120
Total amount	6 866.1	2 514.3	4 402.2	731.1	625.8	15 139.4
Total number of loans and DSF grants^{b, c}	590	156	270	39	32	1 087

Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project approved by the Executive Board. Includes Regular Programme loans, Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification loans, and DSF grants. Includes a loan on highly concessional terms approved in 2005 for Indonesia made up of unused proceeds of a loan approved in 1997 on intermediary terms. Any discrepancy in totals is the result of rounding.

^b A programme or project may be financed through more than one loan or DSF grant and thus the number of loans and DSF grants may differ from the number of programmes or projects shown in other tables.

^c Fully cancelled or rescinded loans are not included.

TABLE 8
Summary of IFAD loans by region and lending terms, and of DSF grants, 1978-2014^a
 Amounts in US\$ million

	West and Central Africa	East and Southern Africa	Asia and the Pacific	Latin America and the Caribbean	Near East, North Africa and Europe	Total
DSF grants						
Amount	464.4	342.5	226.4	38.1	172.9	1 244.2
Number of grants	34	25	21	7	16	103
Highly concessional loans						
Amount	2 267.0	2 505.3	3 732.2	424.5	982.7	9 911.7
Number of loans	202	170	203	43	88	706
Hardened loans						
Amount	-	-	-	-	59.1	59.1
Number of loans	-	-	-	-	5	5
Intermediate loans						
Amount	105.2	108.9	607.5	488.0	665.0	1 974.7
Number of loans	11	11	35	51	40	148
Blend loans						
Amount	-	-	65.1	14.3	24.3	103.7
Number of loans	-	-	2	1	2	5
Ordinary loans						
Amount	21.3	13.7	250.7	1 062.3	498.0	1 846.0
Number of loans	3	4	6	74	33	120
Total amount	2 857.9	2 970.4	4 881.8	2 027.3	2 402.0	15 139.4
Percentage of total IFAD loans and DSF grants	18.9	19.6	32.2	13.4	15.9	100.0
Total number of loans and DSF grants^{b, c}	256	210	267	176	184	1 087

Source: Grants and Investment Projects System.

^a Amounts as per the President's report for each programme or project approved by the Executive Board. Includes Regular Programme loans, Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification loans, and DSF grants. Includes a loan on highly concessional terms approved in 2005 for Indonesia made up of unused proceeds of a loan approved in 1997 on intermediary terms. Any discrepancy in totals is the result of rounding.

^b A programme or project may be financed through more than one loan or DSF grant and thus the number of loans and DSF grants may differ from the number of programmes or projects shown in other tables.

^c Fully cancelled or rescinded loans are not included.

TABLE 9
Annual loan disbursement by region under the Regular Programme, 1979-2014^a
 Amounts in US\$ million

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	1979-2014
West and Central Africa	62.3	57.8	61.8	64.4	66.8	66.0	74.4	94.2	74.82	82.3	1 389.2
East and Southern Africa	75.9	88.6	89.4	85.4	106.4	99.4	104.3	140.4	136.19	99.1	1 787.1
Asia and the Pacific	93.1	127.2	122.0	99.1	129.2	158.0	230.7	172.2	148.02	180.6	3 248.9
Latin America and the Caribbean	42.3	57.4	63.4	79.1	61.6	64.0	72.9	65.7	54.21	63.5	1 437.0
Near East, North Africa and Europe	68.0	55.9	62.1	96.1	73.5	70.1	67.3	61.9	69.35	59.3	1 540.4
Total^b	341.6	386.9	398.7	424.1	437.5	457.5	549.6	534.5	482.6	484.7	9 402.5

Source: Loans and Grants System.

^a Loan disbursements relate solely to Regular Programme loans and exclude the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification, and DSF financing.

^b Any discrepancy in totals is the result of rounding.

TABLE 10
Annual DSF disbursement by region, 2007-2014

Amounts in US\$ million

	2007	2008	2009	2010	2011	2012	2013	2014	2007-2014
West and Central Africa	-	0.9	1.9	9.1	23.8	36.7	49.2	46.9	168.6
East and Southern Africa	1.0	3.6	5.7	17.1	28.3	40.1	45.0	60.0	200.8
Asia and the Pacific	1.0	1.7	3.9	6.8	11.6	21.0	22.9	31.8	100.7
Latin America and the Caribbean	-	-	0.6	0.9	3.4	6.6	6.2	6.3	24.0
Near East, North Africa and Europe	-	0.1	1.6	5.5	9.2	14.2	19.2	12.3	62.2
Global	-	0.1	-	-	-	-	-	-	0.1
Total^a	2.0	6.5	13.7	39.4	76.3	118.6	142.6	157.4	556.5

Source: Loans and Grants System.

^a Any discrepancy in totals is the result of rounding.

TABLE 11
Loan disbursement by region and lending terms under the Regular Programme, 1979-2014^a

Amounts in US\$ million

	Highly concessional	Intermediate	Ordinary	Hardened	Total
West and Central Africa					
Amount	1 312.1	60.3	16.8	-	1 389.2
Percentage of total loan effective commitment	72	100	93	-	73
East and Southern Africa					
Amount	1 683.6	99.6	3.9	-	1 787.1
Percentage of total loan effective commitment	76	97	39	-	76
Asia and the Pacific					
Amount	2 762.1	437.0	49.8	-	3 248.9
Percentage of total loan effective commitment	80	76	18	-	76
Latin America and the Caribbean					
Amount	374.1	408.5	654.3	-	1 437.0
Percentage of total loan effective commitment	90	92	69	-	76
Near East, North Africa and Europe					
Amount	851.4	419.7	248.6	20.7	1 540.4
Percentage of total loan effective commitment	92	72	56	42	74
Total amount	6 983.4	1 425.1	973.4	20.7	9 402.5
Total percentage of total loan effective commitment	79	80	58	42	76

Source: Loans and Grants System.

^a Loan disbursements relate solely to Regular Programme loans and exclude the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification, and DSF financing.

Sengchanh sells cakes and other cooked foods in Luang Prabang Province
 Lao People's Democratic Republic: Northern Region Sustainable Livelihoods through Livestock Development Project

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