GENERAL STATEMENT BY THE HEAD OF THE CAMEROON DELEGATION, OUTGOING G-77 COORDINATOR FOR IFAD, ON THE OCCASION OF THE TWENTY NINETH SESSION OF THE GOVERNING COUNCIL OF THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT ROME 15 – 16 FEBRUARY 2006

Mr. Chairman of the Governing Council, Mr. the President of IFAD, Distinguished Governors and Delegates, Excellencies, Ladies and gentlemen,

It is a real pleasure for our delegation to take the floor on the occasion of the 29 th session of the Governing Council of our institution. This year's theme of the panel discussion: *Innovation challenges for the rural poor*, is an important one, with regards to the ongoing internal discussions on the redefinition of IFAD focus group and the most adapted programmes concerning this group, as outlined by the Independent External Evaluation report. The conclusions of the panel discussion may certainly help in the preparation of the revised Strategic Framework 2007-2011.

In most developing countries, farmers have been carrying out their farming activities at the family level, from generation to generation, regardless of the sophisticated technological changes that influence the systems of production, but in perfect harmony with their level of development and needs. In the context of a globalizing world, the farmers' logic and responses to adapt to the new environment are no longer sufficient, thus the need for more creative innovative solutions to the challenges of the continuous growth of the labour market, the increasing competitiveness of market economies, the greater impact of pandemics such as HIV/AIDS and to a lesser extent the avian flu, the critical situation of uncertainties generated by climate changes and the effects of natural catastrophes.

Mr. Chairman,

In December 2005, we concluded the round of negotiations for the seventh replenishment of IFAD resources. A report is before this Council for adoption. The report dwells on major issues pertaining to IFAD work, administration and governance, on which my delegation wishes to make some comments.

Let me start by applauding the positive completion of the Independent External Evaluation of IFAD in 2005 and the Plan of Action 2006-2007 built on thereafter by IFAD management. We recognize the strategic importance of the Action Plan as a basic instrument in assigning priorities, defining new and innovative approaches that will strengthen rural development at national and international levels and reviewing indicators for development assistance. The Action Plan needs thus to be supported, for, it identifies means by which IFAD can enhance its country presence, with the view to engaging in a constructive country dialogue and ensuring better implementation support and knowledge management.

Talking now about the allocation and forms of IFAD financial assistance, it should, first of all, be admitted that one of the impediments to sustained economic growth in many developing countries is the burden of the heavy external debt and we wish to applaud the commitment of IFAD to participate in the Heavily Indebted Poor Countries (HIPC) initiative, particularly in Africa and we seize this opportunity to invite the international finance community to work with countries towards achieving the completion point in view of securing substantive resources that could be helpful to promote their development. In the same vein, we

encourage IFAD to adopt a debt sustainability framework to govern the allocation of resources to countries eligible for highly concessional assistance. This will lead, obviously, to the revision of the IFAD policy on grant financing, which shall be entrusted to the Executive Board.

The Performance Based Allocation System, as it is applied today, is a major concern to most developing countries for its identified pervasive effects on the allocation of resources to countries. In fact, beyond its high bias towards the population factor, it has become an instrument that brings confrontation and division amongst regional groups and amongst countries within the same regional group. We will continue to advocate for caution in the implementation of the system as long as we remain unclear about its connection and rationale with the strategic orientations, priorities and mandate of the Fund. Our sentiment, at this point in time, is that the implementation of the system is too fast. More stringent considerations such as global allocation to replace regional allocations are applied regardless of the results of the first year of implementation. We therefore remain convinced that its thorough revision, on the basis of information available to date is absolutely necessary.

Concerning the Associate Professional Officer Programme, we welcome the approval by the Executive Board of an enhanced APO Programme for IFAD. Its contribution in achieving equitable geographic distribution of staff within the organization cannot be overestimated. The issue of its financing is still subject to discussion, but we very much encourage that the possibility of having it financed under the IFAD regular budget be considered.

With regard to the issues of the role of the Executive Board and the governance structure, we support the paper presented on these matters during the Consultation for the seventh replenishment of IFAD resources by Members from Lists B and C. We call for a neutral and dispassionate examination of these proposals, within the framework of the ad hoc working group of the Executive Board, so that concrete recommendations could be made to the Board by the end of 2006. To be more specific on the issues at stake, we consider that the representation of developing countries in the Executive Board shall be improved in number and that the system of voting rights attribution shall be revised.

Mr. Chairman,

My delegation salutes the ambitious target set forward by the Consultation on the seventh replenishment of IFAD resources, fixing an annual increase of ten percent in the Programme of Work for the entire period of the replenishment, thus agreeing on a nominal value of USD 800 million. This target, which will serve in financing an accrued work programme at country level, deserves to be supported. With this level of resources, we are sure of designing an acceptable level of programmes and projects financing at country level and to support the implementation of essential policy tools recently developed or under preparation, such as the Field Presence Programme, the Private sector development policy, the Rural Enterprise Policy, the Rural Finance Policy, the Performance Based Allocation System etc. We therefore urge the Governing Council to adopt the draft Resolution appended to the report of the Consultation.

Mr. Chairman,

I would like now to express the solidarity of my delegation to the President of IFAD, the entire staff and Member States, following the death of Mr. Christian Codrai, the General Counsel. His position, as well as his seniority in the organization, had made him to be considered as the living institutional memory of IFAD. We pay tribute to his professionalism and dedication to IFAD. We will miss him, and may his soul rest in peace.

On a final note, permit me to express our appreciation to the positive collaboration we have enjoyed during the last two years, from Mr. Siva Thampi, the Secretary of the Fund, whom we learned will be leaving the organization after this session of the Governing Council. His devotion and commitment shall be

acknowledged. G-77 Rome Chapter

Thank you.