



Ambassador Philippe J. Lhuillier (left) meets with IFAD President Kanayo Nwanze.

30 January 2010 - The Philippine Ambassador to Italy Philippe J. Lhuillier reported to Foreign Secretary Alberto G. Romulo that the International Fund for Agricultural Development (IFAD) will soon open a country office in Manila.

Ambassador Lhuillier, who is also Permanent Representative of the Philippines to the IFAD, recently met with IFAD President Kanayo Nwanze who informed him of the plan to establish a country office in the Philippines.

IFAD's portfolio in the Philippines has increased to a point that it now finds it necessary to have an office in the Philippines in order for it to effectively monitor its fund disbursements as well as implementation of their projects.

Currently, the IFAD is implementing four projects in the Philippines, namely: (1) Northern Mindanao Community Initiatives and Resource Management Project Loan worth \$14.8 million on concessional terms in 2001; (2) Rural Micro-Enterprise Promotion Programme Project Loan of \$ 18.63 million on concessional terms and a grant of \$ 1.12 million in 2005; (3) Cordillera Highland Resource Management Project II concessional loan amounting to USD \$ 27 million in 2008, and; (4) Rapid Food Production Enhancement Programme loan amounting to USD 16 million intermediate loan with a grant of €10 million in 2009.

The negotiations of these concessional loans were facilitated by Ambassador Lhuillier. They are repayable after 40 years with a 10-year grace period. It does not carry an interest rate but is charged a service fee of 0.75% per year on the drawdown amount.

IFAD President Kanayo also told Ambassador Lhuillier that under IFAD's performance based allocation system, the Philippines will be entitled to loans up to USD 50 Million.

Under IFAD's Strategic Objectives [2010-2014 or the Philippines Country Strategic Opportunities Programme \(COSOP\)](#), it aims to continue its support to the Philippine Government's medium-term rural poverty reduction goals, which are closely aligned to the United Nations Millennium Development Goals.

IFAD is a specialized UN agency established as an international financial institution in 1977 as one of the major outcomes of the 1974 World Food Conference to finance agricultural development projects primarily for food production in the developing countries.

IFAD's mission is to enable poor rural people to overcome poverty.

Since 1978, IFAD has committed a total of US\$168.8 million in financing 12 projects related to agricultural development in the Philippines directly benefitting almost 1.5 M households. END