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Report of the Governing Council Bureau on the Proposed Amendments to the Rules of Procedure of the Governing Council

Note to Executive Board representatives

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For: Approval

Recommendation for approval

The Executive Board is invited to consider and approve the submission of the report of the Bureau contained in the present document together with the proposed amendments to the Rules of Procedure of the Governing Council to the Governing Council for approval through a vote by correspondence.

1. The Bureau has noted the considerable impact of the COVID-19 pandemic on the conduct of IFAD's governing bodies meetings. Travel restrictions and health concerns have prevented representatives from travelling to the seat of the Fund to participate in the Executive Board and other subsidiary body sessions. Arrangements were made to conduct these meetings by virtual means and feedback has been positive as to the success of the meetings.
2. While it may still be possible to hold the forty-fourth session of the Governing Council in Rome next February, IFAD must ensure that arrangements are made so that the session may be held virtually should this prove necessary. Such arrangements are of particular importance given that the Governing Council will consider the appointment of the President at its session in February 2021.
3. The Bureau has considered the amendments to the Rules of Procedure of the Governing Council, proposed by Management, and wishes to recommend that these changes be reviewed by the Executive Board for subsequent submission to the Governing Council for approval through a vote by correspondence.
4. The proposed changes pertain mainly to the possibility of holding Governing Council sessions by virtual means, and the inclusion of special procedures for virtual sessions. The proposed changes would also allow for the use of an electronic voting system and aim to better reflect established practice, such as voting by acclamation in the appointment of the President when only one candidate is nominated.
5. The Bureau considers these amendments necessary to provide the flexibility needed to ensure business continuity in the event that sessions cannot be held with the physical presence of Member State representatives. The Executive Board is kindly invited to consider the amendments contained in the annex and recommend submission for approval by the Governing Council through a vote by correspondence.
6. As rule 39.1¹ on voting by correspondence currently states that questions covered by rule 34.1, which includes "adoption of regulations and by-laws to conduct the business of the Fund" may not be proposed for decision through a vote by correspondence, the Rules of Procedure of the Governing Council will need to be suspended in accordance with rule 45² to allow for the submission of the amendments to the Governing Council for approval through a vote by correspondence.

¹ Rule 39 Voting by Correspondence

"Whenever the Executive Board decides to obtain a vote of the Governing Council on a specific question, except one covered by Rule 34.1 or 34.2, without calling a session of the Council, the President shall transmit to each Member by any rapid means of communication a motion embodying the proposed decision with a request for a vote. Votes shall be cast during such period as the request may prescribe; at the expiration of the established period or any extended period that may be prescribed, the President shall record the results and notify all Members. The vote shall be valid if replies are received from Members having at least two-thirds of the total number of votes."

² Rule 45 Method of Suspension

"These rules may be suspended by the Governing Council to the extent that such suspension is consistent with the Agreement, provided that 24 hours' notice of the proposal for the suspension has been given which may be waived if no Governor objects; committees and other subsidiary bodies may by unanimous consent waive rules pertaining to them. Any suspension shall be limited to a specific and stated purpose and to the period required to achieve it."

Proposed amendments to the Rules of Procedure of the Governing Council:

The Governing Council is invited to consider and approve the following amendments to the Rules of Procedure of the Governing Council. Additions are underlined while deletions are shown in strikethrough.

Rule 4 Place of Sessions – amendments pertain to the possibility of holding Governing Council sessions by virtual means.

"The sessions of the Governing Council shall be held at the seat of the Fund. The Governing Council may decide to hold a session elsewhere, provided that this does not involve additional costs to the Fund. Governing Council sessions may be held by virtual means when the Chairperson, after consultation with the other members of the Bureau and the President, determines that holding a physical, in-presence session is not feasible or appropriate for all representatives. In such instances, Members, cooperating international organizations and institutions, and representatives of other entities as defined in Rule 43, may participate in the session by means of teleconference, videoconferencing or other electronic means. Special procedures applicable to Governing Council sessions held by virtual means are set forth in the annex to the present Rules of Procedure."

"Annex Special Procedures:

The following special procedures shall apply to Governing Council sessions held by virtual means:

1. Attendance at Meetings

- 1.1. Representatives of Members, cooperating international organizations and institutions and representatives of other entities may participate in sessions of the Governing Council by means of teleconferencing, videoconferencing or any other electronic means that enable them to listen to the proceedings and, as appropriate and in accordance with the present rules, address the meeting from a remote location.
- 1.2. The President shall designate key staff to ensure the efficient and effective running of the meeting. During the meeting, should connectivity issues arise, participation may be restricted to the representatives of Members only.
- 1.3. Representatives shall be responsible for the quality of their connection to the virtual meeting. Should a representative lose connectivity, deliberations shall continue and decisions made as appropriate, unless the quorum is lost due to the loss of connection.
- 1.4. Representatives may wish to share their position on agenda items with Management in advance of the session to ensure that said positions are duly recorded in the summary records of the virtual meeting.

2. Quorum

- 2.1. The quorum for any meeting of the Governing Council shall be constituted by the presence (virtual or physical) of representatives of Members exercising two thirds of the total number of votes.
- 2.2. In the event that the quorum is lost due to connectivity issues being experienced by a number of representatives, the meeting shall be suspended until such time as a quorum has been re-established."

Rule 35 Method of Taking Decisions, subparagraph 3 – amended to allow for the possibility of voting by electronic means.

- "3. Secret ballots shall be taken by ~~providing each Governor with one or more ballot papers each indicating a specific number of votes, which shall be so distributed that: (i) papers specifying any particular number of votes shall be received by at least four Governors, and (ii) the total number of votes specified on the papers received by any Governor shall equal the number of votes he is entitled to cast; each Governor may indicate his vote on all the papers he receives and deposit them in ballot boxes from which they shall be taken and counted by tellers appointed by the Chairman. the casting of paper ballots*~~ or, if available, through an electronic voting system, in such a way as to safeguard the secrecy and integrity of the secret ballot. Each Member shall have access to and the ability to cast, the specific number of votes to which they are entitled.

* In the case of paper ballots, each Governor shall be provided with one or more ballot papers each indicating a specific number of votes, which shall be so distributed that: (i) papers specifying any particular number of votes shall be received by at least four Governors, and (ii) the total number of votes specified on the papers received by any Governor shall equal the number of votes he is entitled to cast; each Governor may indicate his vote on all the papers he receives and deposit them in ballot boxes from which they shall be taken and counted by tellers appointed by the Chairman."

Rule 39 Voting by Correspondence, subparagraph 1 – amended to allow for greater flexibility in proposing motions for approval through a vote by correspondence.

- "1. Whenever the Executive Board decides to obtain a vote of the Governing Council on a specific question, except one covered by Rule 34.1(c) and (d) or 34.2, without calling a session of the Council, the President shall transmit to each Member by any rapid means of communication a motion embodying the proposed decision with a request for a vote. Votes shall be cast during such period as the request may prescribe; at the expiration of the established period or any extended period that may be prescribed, the President shall record the results and notify all Members. The vote shall be valid if replies are received from Members having at least two-thirds of the total number of votes."

Rule 40 Executive Board, subparagraph 2 – amended to allow for greater flexibility and to reflect current standard practice.

- "2. During the course of the annual session the Governors ~~shall~~ may meet in private to conduct such elections in accordance with procedures specified by the respective part of Schedule II to the Agreement. The chairman at each such meeting shall be a member of the Bureau. Except as otherwise specified in the respective part of Schedule II or otherwise decided by the meeting, these rules shall apply *mutatis mutandis* to its proceedings."

Rule 41 President – amended to allow for greater flexibility and to reflect current standard practice.

- "1. The appointment of the President shall be considered by the Governing Council at a private meeting, and voting shall be in accordance with Rule 38.1, unless otherwise decided by the Governing Council after considering a report of the Bureau thereon.
2. The Governing Council shall appoint the President by at least two-thirds of the total number of votes. In the case of only one nominee, the Council may use the method of acclamation to appoint the President. In the case of more than

one nominee, if no nominee receives the required number of votes on the first ballot, a second ballot shall be taken in which the nominee who received the fewest votes shall not participate. This procedure shall be repeated until one nominee receives at least two-thirds of the total number of votes or the Council decides that such balloting be discontinued and decision be taken on another date. Each Governor casting the votes of the Member he represents shall cast them in favour of a single person."