



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Governing Council — Twenty-Second Session

Rome, 17-18 February 1999

**RESULTS OF THE GOVERNING COUNCIL VOTE BY CORRESPONDENCE FOR THE
PROVISION OF A SUPPLEMENTARY AMOUNT OF USD 1 MILLION TO THE
BUDGET OF IFAD FOR 1998**

1. At its Sixty-Third Session, the Executive Board was informed of an International Labour Organization (ILO) Administrative Tribunal decision (Judgement No. 1713) to reinstate a percentage of the salary relating to the language factor that had been eliminated, since November 1995, from the General Service Category salary scales of the United Nations organizations in Rome. It was estimated that the financial implication for IFAD would amount to approximately USD 1 million (approximately USD 400 000 for 1998 and USD 600 000 to cover the retroactive reimbursement to its General Service staff).
2. At that Session, the Executive Board considered the ILO Administrative Tribunal judgement, the fact that the approved 1998 IFAD Programme of Work and Budget had not been formulated to provide for such additional staff costs and that IFAD, along with the other Rome-based organizations, wished and felt obliged to implement the revised salary scales as soon as possible. It also reviewed the various options available to the Fund to finance both the retroactive payments and to adjust the General Service salary scales accordingly.
3. The Executive Board recommended the transmission of a draft resolution to the Governing Council for its approval of a supplementary amount to the budget of IFAD for 1998 in an amount of USD 1 million, through a vote by correspondence.
4. On 29 April 1998, the President of IFAD transmitted, by facsimile to all Member States, a proposal for the provision of a supplementary amount of USD 1 million under the budget of IFAD for 1998 and invited the Governing Council to approve the draft resolution. A deadline of Monday, 15 June 1998, was set for receipt of replies.
5. Under Rule 34.1(e) of the Rules of Procedure of the Governing Council, approval of the administrative budget requires at least two-thirds of the total number of votes and, in accordance with past practice, absence of a written reply by the stipulated deadline date is considered a "yes" vote. As at the close of business on 15 June 1998, all replies received were in the affirmative, and therefore the following resolution was adopted unanimously:



Resolution 109/XXII

The Provision of a Supplementary Amount under the Budget of IFAD for 1998

The Governing Council of IFAD,

Taking into account Resolution 104/XXI on the Budget of IFAD for 1998 approving an administrative budget for IFAD in the amount of USD 51 137 000, plus contingency items of USD 400 000;

Having considered the recommendation of the Executive Board at its Sixty-Third Session that the Governing Council be requested to approve the addition of a supplementary amount to the Budget of IFAD for 1998, in response to an International Labour Organization Administrative Tribunal judgement against the Food and Agriculture Organization of the United Nations (FAO) concerning the retroactive adjustment of the General Service Staff salary scale and the language element thereof, through a vote by correspondence;

Decides that:

1. The Budget of IFAD for 1998 be supplemented by an amount of USD 1 000 000 so as to equal a total budget of USD 52 137 000, plus contingency items of USD 400 000.
 2. The said supplementary amount be applied to Staff Costs.
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6. Accordingly, the retroactive adjustment to IFAD's General Service salary scale has been implemented.
 7. As stipulated during the Executive Board's consideration of this matter, should any savings in IFAD's budget for 1998 materialize later in the year, less supplementary funding will be required.