



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Governing Council — Twenty-Second Session
Rome, 17-18 February 1999

RESOLUTIONS ADOPTED BY THE GOVERNING COUNCIL
AT ITS TWENTY-SECOND SESSION

1. The Governing Council, at its Twenty-Second Session, was informed that on 15 June 1998 it had unanimously adopted Resolution 109/XXII through a vote by correspondence.
2. The Governing Council, at its Twenty-Second Session, adopted Resolutions 110/XXII, 111/XXII, 112/XXII and 113/XXII on 17 February 1999.
3. These Resolutions are transmitted for the information of all Members of IFAD.



THE PROVISION OF A SUPPLEMENTARY AMOUNT UNDER THE BUDGET OF IFAD FOR 1998

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.

THE BUDGET OF IFAD FOR 1999

Resolution 110/XXII

The Budget of IFAD for 1999

The Governing Council of IFAD,

1. **Bearing in mind** Article 6.10 of the Agreement Establishing IFAD and Regulation VI of the Financial Regulations of IFAD;
2. **Noting** that, at its Sixty-Fifth Session, the Executive Board reviewed and agreed upon a Programme of Work of IFAD for 1999 in the amount of SDR 335.2 million;
3. **Noting** that, at the request of the Government of the Republic of Zambia to postpone to 1999 the loan proposed for Zambia in 1998, the Executive Board decided, on an exceptional basis, to approve an additional SDR 9 million for the 1999 Programme of Work for the postponed Zambia loan;
4. **Having considered** the review of the Sixty-Fifth Session of the Executive Board concerning the proposed Budget of IFAD for 1999;
5. **Approves** the Budget of IFAD for 1999, as contained in document GC 22/L.5 and its Addendum, in the amount of USD 55 416 000 determined on the basis of a rate of exchange of ITL 1 731.29/USD 1.00, including a contingency of USD 400 000, plus a separate amount of USD 343 400 for funding the 1999 sessions of the Consultation to Review the Adequacy of the Resources Available to IFAD;
6. **Decides** that, in the event the average value of the United States dollar in 1999 should change against the Italian lire rate of exchange used to calculate the budget, the total United States dollar equivalent of the lira expenditures in the budget shall be adjusted in the proportion that the actual exchange rate in 1999 bears to the budget exchange rate.



**THE AMENDMENT OF RESOLUTION 16/IV
ON THE ESTABLISHMENT OF A GENERAL RESERVE**

Resolution 111/XXII

The Amendment of Resolution 16/IV on the Establishment of a General Reserve

The Governing Council of IFAD,

Noting its Resolution 16/IV on the Establishment of a General Reserve, adopted on 11 December 1980, and document GC 22/L.9;

Recognizing the need to continue to provide cover for the Fund against the following risks:

- (i) potential overcommitment of the Fund as a result of a diminution in the value of assets caused by exchange rate fluctuations;
- (ii) possible delinquencies in receipt by the Fund of loan service payments;
- (iii) possible delinquencies in the recovery of amounts due to the Fund from the investment of its liquid assets; and
- (iv) potential overcommitment as a result of a diminution in the value of assets caused by fluctuations in the market value of investments;

Further recognizing that there may be a need to revise the ceiling of the General Reserve from time to time so as to realistically cover the above-mentioned risks;

Decides to amend paragraph 2(iv) of Resolution 16/IV to read as follows:

“that, subject to the above, the ceiling of the General Reserve may be amended from time to time by the Executive Board;”.



THE ESTABLISHMENT OF THE CONSULTATION TO REVIEW THE ADEQUACY OF THE RESOURCES AVAILABLE TO IFAD

Resolution 112/XXII

The Establishment of the Consultation to Review the Adequacy of the Resources Available to IFAD

The Governing Council of IFAD,

Recalling Article 4, Section 3, of the Agreement Establishing IFAD, which provides that, in order to assure continuity in the operations of the Fund, the Governing Council shall periodically review the adequacy of the resources available to the Fund;

Further recalling that the period established by Governing Council Resolution 87/XVIII for the Fourth Replenishment of IFAD's Resources will conclude on 20 February 2000;

Having considered the statement of the President of IFAD on the need for a review of the adequacy of the resources available to IFAD and document GC 22/L.6 thereon;

Having further considered the need for the establishment of a Consultation to Review the Adequacy of the Resources Available to IFAD;

Decides that:

1. A Consultation to Review the Adequacy of the Resources Available to IFAD ("the Consultation") shall be established under the chairmanship of the President of IFAD, with its first session to be held, as soon as possible during 1999, on such date as the President of IFAD shall decide, after appropriate consultation with the members of the Consultation, and with such further sessions as the Consultation may deem appropriate to review the adequacy of the resources available to IFAD and to negotiate, if appropriate, such arrangements as may be necessary to ensure the adequacy of the said resources.
2. The Consultation shall consist of all Member States from Lists A and B and twelve Member States from List C, the latter to be appointed by the members of List C and communicated to the President of IFAD no later than 18 February 1999. The Consultation may subsequently invite such other Member States to participate in the Consultation as may facilitate its deliberations.
3. The Consultation shall submit a report on the results of its deliberations and any recommendations thereon to the Twenty-Third Session and, if required, subsequent sessions of the Governing Council, through the Executive Board, with a view to adopting such resolutions as may be appropriate.
4. The President of IFAD is requested to keep the Executive Board informed of the progress of the deliberations of the Consultation.
5. The President of IFAD is requested to provide such assistance to the Consultation as may be necessary for the effective and efficient discharge of its functions.



**THE AMENDMENT OF THE RULES OF PROCEDURE
OF THE GOVERNING COUNCIL:
TIMING OF THE ANNUAL SESSIONS OF THE GOVERNING COUNCIL**

Resolution 113/XXII

The Amendment of the Rules of Procedure of the Governing Council

The Governing Council of IFAD,

Having considered the recommendation of the Executive Board at its Sixty-Fourth Session relating to the date of future annual sessions of the Governing Council;

Recalling its Resolution 61/XIII on the Amendment of the Rules of Procedure of the Governing Council adopted on 25 January 1990;

Decides to amend Rule 2 of its Rules of Procedure (changes indicated in bold) to read:

Rule 2

Annual Sessions

The Governing Council shall each year convene an annual session **within the first quarter of that year**. If for any reason an annual session cannot be held **within that period**, the Executive Board shall decide upon a suitable alternate **period**. The President is responsible for fixing the precise dates for the Council sessions.