



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Governing Council – Twenty-Fourth Session

Rome, 20-21 February 2001

REPORT OF THE EMOLUMENTS COMMITTEE

I. INTRODUCTION

1. The By-laws for the Conduct of the Business of IFAD provide in Section 6, paragraph 1, that “the salary, allowances and other entitlements of the President shall be determined by resolution of the Governing Council. In addition, he shall be entitled to participate in insurance, medical, pension, retirement and other plans as may be established for the employees of the Fund and not otherwise covered by his emoluments.” Accordingly, Resolution 77/5, adopted by the Governing Council at its First Session in December 1977, established the net salary, representation allowance and benefits of the President of IFAD on a par with that of the reference United Nations agency in Rome, namely the Food and Agriculture Organization of the United Nations (FAO).
2. Given that the present incumbent President is due to complete his term of office in February 2001, the Governing Council at its Twenty-Third Session on 16-17 February 2000, by Resolution 118/XXIII, re-established the committee to review the emoluments of the President of IFAD, prior to the election of the next President.
3. Having considered document GC 23/L.11 and the Executive Board recommendation thereon, the Council established an Emoluments Committee consisting of nine Governors or their representatives. The Council requested a report at its next meeting.

II. COMPOSITION OF THE COMMITTEE

4. The Emoluments Committee is composed of the following members: Canada, Finland, France and Norway from List A; Algeria and the Libyan Arab Jamahiriya from List B; and Brazil, Tunisia and Turkey from List C.
5. The committee elected Ms Seija Toro of Finland as its chairperson.

III. REPORT

6. The committee reviewed detailed information and data, provided to it by the Secretariat, pertaining to the emoluments of the executive heads of the specialized agencies of the United Nations and other international financial institutions.



A. Salary and Allowances

7. The committee, after considering this information, saw merit in continuing to link the salary and allowances of the President of IFAD to those of other United Nations organizations. In particular, it concluded that it would be appropriate to continue the established practice of setting the emoluments of the President of IFAD primarily through reference to the major Rome-based United Nations agency, FAO.

B. Housing Allowance

8. The committee noted details provided by the Secretariat establishing that FAO and IFAD followed similar practices and coordinated between them, with the result that the allowance of the Director-General of FAO and the President of IFAD had analogous arrangements. Accordingly, this included a housing allowance and arrangements corresponding to the actual rent paid and related expenses, such as service charges (condominium), electricity, gas, heating and one-half of telecommunication bills. The President of IFAD personally paid the other half of the telecommunication charges.

C. Representation Allowance

9. The committee considered the amount of the representation allowance, which had been fixed at USD 50 000 per annum on a par with FAO. The amount has remained the same during the service of the third President. The committee also noted that, upon the recent re-election of the Director-General of FAO, IFAD had been informed that the amount had remained unchanged. The committee recommends accordingly that this allowance continue at the same rate also for the President of IFAD, in accordance with the general principle re-endorsed in paragraph 7 above.

D. Accommodation

10. The committee discussed the possibility of considering, in the long term, the purchasing of accommodation for the President of IFAD, as compared to the present rental arrangements. This was a follow-up to discussions held within the previous Emoluments Committee and subsequently.

11. The consensus of the committee was that the flexibility of rental arrangements outweighed other considerations, given the number of unknown factors. For example, it could not be foreseen whether future Presidents would be single or married, with or without a family; the size of the family could not be determined; the preference of location of the new President would not be known – whether the new incumbent would prefer to be near certain schools or otherwise. All these factors led the committee to favour the more-flexible rental arrangements. The committee was informed by the Secretariat that the premises occupied by the current President would be available for inspection by the new President, who could then make a decision, factoring into account all of the above elements.

12. Accordingly, and given that the present incumbent of the office of the President of IFAD is completing his second and last term of office, a draft resolution on the emoluments of the President was considered by the Executive Board at its Seventieth Session as presented in the Report of Emoluments Committee. The Executive Board recommended transmittal of this resolution to the Governing Council for its approval.

IV. RECOMMENDATION

13. The Governing Council is invited to adopt the draft resolution attached hereto on the emoluments of the President of IFAD.



THE EMOLUMENTS OF THE PRESIDENT OF IFAD

Resolution —/XXIV

The Emoluments of the President of IFAD

The Governing Council of IFAD,

Taking into account Section 6, paragraph 1, of the By-laws for the Conduct of the Business of IFAD, which states, *inter alia*, that the salary, allowances and other entitlements of the President of IFAD shall be determined by resolution of the Governing Council;

Recalling Resolution 118/XXIII, adopted by the Governing Council on 17 February 2000, whereby a committee was established to review the overall emoluments and other conditions of employment of the President of IFAD in relation to other heads of United Nations specialized agencies and international financial institutions;

Noting and having considered the report of the Emoluments Committee contained in document GC 24/L.12 and the recommendations of the Executive Board thereon;

Decides that:

1. The salary, allowances and other entitlements of the President of IFAD shall continue to be established on a par with that of the Director-General of the Food and Agriculture Organization of the United Nations (FAO).
2. In accordance with paragraph 1 above:
 - (i) a housing allowance shall be provided to the President of IFAD corresponding to the actual expenditures incurred by him for rent and related expenses, including service charges (condominium), electricity, gas, heating and authorized telecommunication charges; and
 - (ii) the representation allowance of USD 50 000 shall continue to be provided.
3. The salary, allowances and other entitlements specified in paragraphs 1 and 2 above shall apply to the person elected as President of IFAD at the Twenty-Fourth Session of the Governing Council with effect from _____ 2001 and thereafter.