

Document: GC 40/Resolutions/Rev.1
Date: 5 April 2017
Distribution: Public
Original: English

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Resolutions adopted by the Governing Council at its fortieth session

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Governing Council — Fortieth Session
Rome, 14-15 February 2017

For: Information

Resolutions adopted by the Governing Council at its fortieth session

1. The Governing Council, at its fortieth session, adopted resolutions 192/XL and 193/XL on 14 February 2017 and resolutions, 194/XL, 195/XL, 196/XL and 197/XL on 15 February 2017.
2. These resolutions are transmitted for the information of all Members of IFAD.

Resolution 192/XL

The emoluments of the President of IFAD

The Governing Council of IFAD,

Taking into account section 6(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 191/XXXI, adopted by the Governing Council on 17 February 2016, whereby a committee was established to review the overall emoluments and other conditions of employment of the President of IFAD, including the conclusions of a study on availability and pricing in Rome of suitable housing for the President;

Noting and having considered the report of the Emoluments Committee contained in document GC 40/L.3 and the recommendations of the Executive Board thereon;

Decides that:

1. The salary 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. The President's representation allowance of US\$50,000 per annum shall continue to be provided.
3. The President shall continue to 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/her emoluments.
4. The Fund shall make housing arrangements for the President in accordance with the following conditions:
 - (a) The Fund, with due consideration to the cost implications of the security aspects, will continue to provide appropriate housing for the President. Subject to subparagraphs 4(b) through 4(e) below, the Fund's annual housing expenditures will not exceed the amount of EUR 180,000. The ceiling is aligned with that of the Director-General, FAO, and will apply to expenditure incurred over a calendar year and pro-rated in the event that a President does not serve for a full calendar year. A statement of recurrent housing expenditures will be prepared annually and audited after the end of each year, with IFAD recovering from the President any amounts determined to be in excess of the ceiling or ineligible for payment by IFAD.
 - (b) The recurrent housing costs that will be payable by IFAD and counted as expenditures subject to the ceiling will include rent and associated banking/service charges; utilities; telecommunications equipment and connections; and upkeep, repairs and maintenance for the house and grounds and other related expenses.
 - (c) Expenditures for security systems will be paid by IFAD, provided that they are certified as necessary by the United Nations Department of Safety and Security; they will be subject to the ceiling. It may prove necessary to address an adverse change of circumstances having a bearing on the security of the President and to incur additional expenditures for security of the residence as certified as necessary by UNDSS. Management will make all necessary efforts to contain such costs within the ceiling. If unable to do so, the Executive Board, following a review by the Audit Committee, shall report to the Governing Council on such additional expenditures and make recommendations for the Council's consideration.

- (d) The cost of official telephone calls will be reimbursed by IFAD and not counted against the ceiling. The cost of personal telephone calls will be paid by the President. In the event that the costs of official and personal phone calls are difficult to separate, the total cost of calls will be divided equally between the President and IFAD.
 - (e) The Fund will cover reasonable and necessary one-time expenditures in connection with the setting up, equipping, and refurbishing of a President's residence. Such expenditures will be charged either against the ceiling for the first year of a President's term or, in equal instalments, against the ceilings for each year of the term. Such installation costs will be payable by IFAD only on one occasion and only upon the initial appointment of a President.
5. The salary, allowances and other entitlements specified in paragraphs 1 to 4 of this resolution shall apply to the person appointed as President of IFAD at the fortieth session of the Governing Council.

Resolution 193/XL

Appointment of the President of IFAD

The Governing Council of IFAD,

Having acted upon the proposal for the appointment of the President contained in document GC 40/L.4 dated 22 December 2016;

Decides, in accordance with Article 6, Section 8(a), of the Agreement Establishing IFAD, to appoint, Mr Gilbert Fossoun Hougbo, of the Togolese Republic as President of IFAD for a term of office of four years, to take effect from 1 April 2017.

Resolution 194/XL

Approval of the recommendations of the Ad Hoc Working Group on Governance

The Governing Council of IFAD,

Having considered the findings of the corporate-level evaluation on IFAD replenishments (CLER);

Recalling the Report of the Consultation on the Tenth Replenishment of IFAD's Resources and the establishment of an Ad Hoc Working Group on governance issues (GC 38/L.4/Rev.1) submitted at the thirty-eighth session of the Governing Council;

Further recalling that the Governing Council tasked the Ad Hoc Working Group on Governance to:

- "(a) review and assess the governance-related recommendations arising from the CLER, particularly with regard to the structure, appropriateness and relevance of the IFAD List system. ... [and] also review and assess the implications and potential impact on all IFAD governing bodies with regard to any changes to the List system as well as Member State representation;
- (b) review and assess the composition and representation of the replenishment consultation and the length of replenishment cycles in IFAD11 and beyond; and
- (c) make proposals on (a) and (b) above for consideration by the Executive Board for submission to the Governing Council, as appropriate."

Having considered the Report of the Ad Hoc Working Group on Governance contained in document GC 40/L.9 and the recommendation of the Executive Board [EB 2016/116/R.39/Rev.2];

Decides:

1. To adopt the following definitions as guidelines for membership in the three Lists of IFAD Member Countries:

List A

This List only includes Member States that are contributors to IFAD resources, declare themselves ineligible for IFAD financing and services, and are not eligible for official development assistance (ODA) according to OECD definitions.

List B

This List only includes Members States that are members of OPEC and are contributors to IFAD resources; some of these may also be eligible for IFAD financing and services.

List C

This List only includes Member States that are "developing countries" and have not declared themselves ineligible for IFAD financing and services; many of these are also contributors to IFAD resources.

2. To recommend that each Member State join, or transfer to, the List whose definition best matches its individual characteristics, in accordance with the procedures set out in paragraph 3(a) of schedule II of the Agreement Establishing IFAD; it being understood that it is for each Member State to decide whether it wishes to avail itself of this option.

3. To maintain the three-year replenishment cycle, and continue discussions on the issue with other IFIs in the future, to ensure alignment and maximise partnership opportunities.
4. To revise the format and the structure of replenishment consultation meetings to ensure greater effectiveness and cost-efficiency by:
 - (i) Setting the agenda through open consultations between Member States and IFAD Management to identify priority issues;
 - (ii) Reducing the number of meetings during replenishment consultations;
 - (iii) Reducing the number and length of papers produced for the replenishment consultations; and
 - (iv) Using IFAD's digital platforms to further open dialogue between IFAD Management and Member States.
5. To transfer four replenishment consultation seats from List A and List B to List C for the benefit of low-income countries and potential or major contributors, with a view to encouraging such Member States to contribute to IFAD's resources, such transfer to be effective in the context of the IFAD11 consultations.
6. To request an assessment by the Secretariat of the number of Board seats in light of any transfers that may have taken place and the evolving voting power of each List, which assessment should be provided to the Membership for review prior to the beginning of the IFAD12 replenishment consultations for further discussion at that time.

Resolution 195/XL

Establishment of the Consultation on the Eleventh Replenishment of IFAD's Resources

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 186/XXXVIII for the Tenth Replenishment of the Fund's resources will conclude on 31 December 2018;

Having considered the statement of the President on the need for a review of the adequacy of the resources available to the Fund and document GC 40/L.6/Rev.2 thereon;

Having further considered the need for the establishment of a Consultation on the Eleventh Replenishment of IFAD's Resources;

Noting the report of the Working Group on Governance and its recommendation on representation of List C Members in Replenishment Consultations and the approval of such recommendation by the Governing Council at its fortieth session;

Decides that:

1. A Consultation on the Eleventh Replenishment of IFAD's Resources ("the Consultation") shall be established, to review the adequacy of the Fund's resources and to report to the Governing Council. Based on favourable experience with the chair during the Consultations on the Ninth and Tenth Replenishments – and to ensure continuity given the election of a new President of IFAD in February 2017 – the Governing Council selects Mr Johannes Linn for the chair of the Consultation. The tasks of the chair of the Consultation are annexed to this resolution.
2. The first session of the Consultation shall be held on 16-17 February 2017.
3. The Consultation shall consist of all Member States from Lists A and B, provided however that four Member States will offer their Replenishment Consultation seats for the benefit of four low-income countries and potential or major contributors from List C; the Consultation shall also consist of 22 Member States from List C (including the four Replenishment Consultation seats offered by Lists A and B), to be appointed by the members of List C and communicated to the President no later than 14 February 2017. The Consultation may subsequently invite such other Member States to participate in the Consultation as may facilitate its deliberations.
4. The Consultation shall submit a report on the results of its deliberations and any recommendations thereon to the forty-first session and, if required, subsequent sessions of the Governing Council, with a view to adopting such resolutions as may be appropriate.
5. The President is requested to keep the Executive Board informed of the progress of the deliberations of the Consultation.
6. The President and the staff are requested to provide such assistance to the Consultation as may be necessary for the effective and efficient discharge of its functions.

Annex to resolution 195/XL

Tasks of the Chair of the Consultation

Under the authority of the Consultation on the Eleventh Replenishment of IFAD's Resources, the chair will:

- (a) Work with the President and staff on the preparations for meetings or negotiations to ensure issues are presented effectively;
- (b) Chair formal consultation meetings;
- (c) With the support of the Secretariat, synthesize discussions and prepare the chair's summary of each meeting, concisely and accurately reflecting the status of negotiations;
- (d) Ensure that the final report and recommendations of the Consultation respond to the terms of reference of the Consultation – as set forth in the present resolution;
- (e) Provide guidance on all aspects of consultation meetings, discussions and deliberations;
- (f) Critically review and comment on draft documentation and reports prepared for each Consultation, ensuring quality control and strategic coherence; and
- (g) Lead and facilitate discussions and negotiations among the membership, as well as between IFAD's leadership and the membership, to build consensus to achieve successful outcomes for the review of the adequacy of the resources of the Fund.

Resolution 196/XL

Administrative budget comprising the regular and capital budgets of IFAD for 2017 and the budget of the Independent Office of Evaluation of IFAD for 2017

The Governing Council of IFAD,

Bearing in mind article 6.10 of the Agreement Establishing IFAD and regulation VI of the Financial Regulations of IFAD;

Noting that, at its 119th session, the Executive Board reviewed and agreed upon a programme of work of IFAD for 2017 at a level of SDR 1,079 million (US\$1,500 million), which comprises a lending programme of SDR 1,041 million (US\$1,447 million) and a gross grant programme of US\$53 million;

Further noting that, at its 119th session, the Executive Board reviewed and approved the appropriation for the special expenditure budget for the IFAD11 Replenishment exercise in the amount of US\$1.04 million;

Having considered the review of the 119th session of the Executive Board concerning the proposed regular and capital budgets of IFAD for 2017 and the budget of the Independent Office of Evaluation of IFAD for 2017;

Approves the administrative budget, comprising: first, the regular budget of IFAD for 2017 in the amount of US\$149.42 million; second, the capital budget of IFAD for 2017 in the amount of US\$2.4 million; and third, the budget of the Independent Office of Evaluation of IFAD for 2017 in the amount of US\$5.73 million, as set forth in document GC 40/L.8, determined on the basis of a rate of exchange of EUR 0.897:US\$1.00; and

Determines that, in the event the average value of the United States dollar in 2017 should change against the euro rate of exchange used to calculate the budget, the total United States dollar equivalent of the euro expenditures in the budget shall be adjusted in the proportion that the actual exchange rate in 2017 bears to the budget exchange rate.

Resolution 197/XL

Proposal for the revision of the established good practice for the process leading to future appointments of the President of IFAD

The Governing Council,

Taking into account article 6.8(a) of the Agreement Establishing IFAD, section 6.2 of the By-Laws for the Conduct of the Business of IFAD and rule 41 of the Rules of Procedure of the Governing Council;

Recalling resolution 176/XXXVI and the endorsement by the Governing Council of the established good practice for the process leading to the appointments of the President of IFAD and the proposal that this practice be reviewed from time to time by the Governing Council Bureau as appropriate;

Taking into consideration the recommendation made by the Executive Board at its 117th session thereon;

Having considered the proposal regarding the "Revision of the established good practice for the process leading to future appointments of the President of IFAD" contained in document GC 40/L.10;

Decides to request the Governing Council Bureau to review the established practice for the process leading to the appointment of the President of IFAD and make proposals in order to enhance such practice for future appointments. The Bureau shall submit a report on the result of its review and any recommendations thereon to the Executive Board in December 2017, for submission to the Governing Council for endorsement at its forty-first session in February 2018.