
Proposed amendments to the By-laws for the Conduct of the Business of IFAD concerning the Policy on Handling Allegations of Misconduct against the President of IFAD

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Useful references: Policy on Handling Allegations of Misconduct against the President of IFAD ([EB 2024/143/R.22](#))

Action: In accordance with the recommendation of the Executive Board at its 143rd session in December 2024, the Governing Council is invited to consider and adopt the draft Resolution contained in annex I of this document.

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A. Introduction

1. In 2022, three external experts conducted a review of IFAD's investigation processes and practices in respect of generally accepted investigation standards and to benchmark IFAD's procedures for whistleblower protection against retaliation with those of similar organizations – both United Nations agencies and multilateral development banks. The final report setting out the findings and recommendations of this external review was released to the President on 2 February 2023 and shared separately with the Audit Committee.
2. The President, the Office of Audit and Oversight (AUO) and the Ethics Office (ETH) generally considered the conclusions of the external review report to be valid and the recommended actions to be useful and relevant. Management likewise committed to the implementation of the external review recommendations, including recommendation 10 of the final report: "IFAD should, in consultation with IFAD's Legal Department, AUO, and Audit Committee, develop and formalize a policy and procedures to handle allegations against IFAD's President."
3. In accordance with the Management action plan presented to the Audit Committee in June 2023, AUO and ETH, with the support of the Office of the General Counsel (LEG), jointly developed a draft of the Policy, as well as proposed amendments to the Terms of Reference (ToRs) and Rules and Procedures of the Audit Committee of the Executive Board and the draft Resolution relative to the amendments to section 6 of the By-laws for the Conduct of the Business of IFAD (the "draft Resolution"), for review by the Audit Committee at its 175th meeting.
4. To regulate the respective roles and powers of the Governing Council and the Executive Board with respect to the Policy, amendments to section 6 of the By-laws for the Conduct of the Business of IFAD are required. The Governing Council will retain final authority on any decision to be taken pursuant to article 6, section 8 of the Agreement Establishing IFAD and the Executive Board will be authorized to take interim measures.
5. Following the review of the Audit Committee, the Executive Board, at its 143rd session, reviewed and approved the Policy and the amendments to the Audit Committee's ToRs, and endorsed the draft Resolution for approval by the Governing Council (annex I). The President of IFAD recused himself from the Chairing of the Board session during the discussion of the agenda item, and the representative from Italy was called upon to act as Chairperson. Minutes of the deliberations held at the Executive Board session will be made publicly available on the [Member States Interactive Platform](#).

B. Overview of the Policy

6. The Policy has been prepared in accordance with guidance and best practice provided by the United Nations Representatives of Investigation Services, and it is also aligned with a recommendation from the United Nations Joint Inspection Unit. This Policy is a high-level document that describes the roles and responsibilities of IFAD's institutional bodies, as well as an overall process to be supported by more detailed procedures to address any further comments regarding specific procedures to be followed.
7. The Policy features the following main components:

- (a) **Intake and initial evaluation:** an intake and initial evaluation procedure for receiving and reviewing complaints against the President, to be conducted by AUO and ETH.
- (b) **Decision to refer complaint:** a procedure involving the Audit Committee and the Executive Board for reviewing the initial evaluation findings of AUO and ETH, and for deciding on whether the complaint against the President should be referred to an external body for further review and investigation.
- (c) **Investigation by external body:** a preliminary assessment and investigation procedure for referred complaints, to be conducted by an external investigative entity in accordance with applicable investigative standards and procedures under relevant AUO rules and procedures.
- (d) **Review of the final investigation report and decision on post-investigation actions:** a procedure involving AUO and ETH, mainly for their supporting roles, and regarding the roles and responsibilities of the Audit Committee, the Executive Board and the Governing Council outlining the process for reviewing the external investigative entity's final investigation report and the actions to be taken by the governing bodies following the conclusion of the investigation.

C. Recommendation

- 8. The Governing Council is invited to consider and adopt the draft Resolution relative to the amendments to section 6 of the By-laws for the Conduct of the Business of IFAD. Upon said adoption, the Policy, the amendments to the By-laws and the amendments to the Audit Committee's ToRs shall come into immediate force and effect.

Draft Resolution .../XLVIII

Approval of the amendments to the By-laws for the Conduct of the Business of IFAD

The Governing Council of IFAD,

Taking into account article 6.8(a) of the Agreement Establishing IFAD, sections 6 and 14 of the By-laws for the Conduct of the Business of IFAD, and rule 41 of the Rules of Procedure of the Governing Council;

Having considered the Policy on Handling Allegations of Misconduct against the IFAD President approved by the Executive Board at its 143rd session and the recommendations thereat as contained in document GC 48/L.4;

Decides:

1. That a new paragraph 5 shall be added to section 6 of the By-laws for the Conduct of the Business of IFAD, to read as follows:

"The handling of allegations of misconduct against the President shall be regulated by a policy to be approved by the Executive Board, which will have the authority to impose interim measures deemed appropriate under the circumstances, including suspension from office. The Governing Council shall retain final authority on any decision to be taken pursuant to article 6, section 8 of the Agreement."