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IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Consultation on the Seventh Replenishment of IFAD's Resources – Third Session

Rome, 5-7 July 2005

VOTING RIGHTS OF MEMBER STATES AND MEMBERSHIP OF THE EXECUTIVE BOARD

I. INTRODUCTION

1. At its Second Session, held on 21-22 April 2005, the Consultation on the Seventh Replenishment of IFAD's Resources agreed – as set forth in document REPL.VII/2/C.R.P.2 – that at its Third Session it would consider reviewing the current basis of calculation and allocation of the voting rights of Member States and the membership of the Executive Board on the basis of a document to be submitted to it containing purely factual background information thereon. In response to the Consultation's request, the present document examines the historical and current situation at IFAD and compares it with a number of other multilateral organizations in order to assist the Consultation in its discussions.

2. IFAD was established in 1977 as an organization founded on three pillars of membership. There were three categories of membership: Category I/List A (States members of the Organisation for Economic Co-operation and Development [OECD]), Category II/List B (States members of the Organization of the Petroleum Exporting Countries [OPEC]) and Category III/List C (other developing countries). Each category held one third of the total votes, namely 600 votes each, out of a total of 1 800. The combination of contributing countries (Categories I and II/Lists A and B) held two thirds of the voting power and an equal proportion of the representation within the organization's Executive Board, while a combination of the developing countries (Categories II and III/Lists B and C) similarly held two thirds of the voting power and Board representation. This balance allowed the interests of both contributing countries and developing countries to be equally represented in a unique partnership. This situation was amended during the negotiations for the Fourth Replenishment but in essence still prevails: the balance of votes still requires all lists to work together to approve important policies, with no list or lists being able to take decisions unilaterally. Over the past 28 years, this situation has resulted in all decisions of the Executive Board and, with one or two exceptions, of the Governing Council being taken by consensus.

II. VOTING RIGHTS

A. IFAD

1. 30 November 1977 to 19 February 1997

3. IFAD commenced operations on 30 November 1977. Prior to the amendment in 1997 of the Agreement Establishing IFAD, Article 6, Section 3, stipulated that “The total number of votes in the Governing Council shall be 1 800, distributed equally among Categories I, II and III. The votes of each Category shall be distributed among its members in accordance with the formula set out for that Category in Schedule II, which forms an integral part of this Agreement.” According to Schedule II of the Agreement (prior to amendment), within each category, the 600 votes were divided among individual Members as follows:

- (a) **Category I (now List A):** 17.5% or 105 “fixed votes” were distributed equally among Members and the remaining 495 votes were distributed in proportion to the Members’ respective share of total Category I contributions to the Initial Resources and the First, Second and Third Replenishments together.
- (b) **Category II (now List B):** 25% or 150 “fixed votes” were distributed equally among Members and the remaining 450 votes were distributed according to contributions as above.
- (c) **Category III (now List C):** 600 votes were distributed equally among Category III Members.

4. For the purpose of distributing votes on the basis of Members’ contributions as a percentage of the total category contributions, contributions were defined as payments in cash or in promissory notes. Pledges and Instruments of Contribution were **not** used for these calculations except to the extent that actual payments of contributions had been made. However, there were some Members that had made payments in promissory notes but had not been able to encash a part of or all of their promissory notes when a drawdown had been called. For any Member in arrears on encashing promissory notes for 24 months or longer, the financial statements of IFAD included an accounting provision against that amount. Whenever an accounting provision was made against a contribution, the number of votes of that Member was reduced in the same proportion as the unpaid amount of the Member’s promissory note to the total category contribution. Votes thus reduced from a particular Member were distributed among all other Members of the same category in proportion to their valid cash and promissory note contributions.

5. Therefore, until 19 February 1997, the voting shares of the categories were calculated without regard to contributions and were as follows:

Category I:	33.3% (600 votes)
Category II:	33.3% (600 votes)
Category III:	33.3% (600 votes)

2. 20 February 1997 to date

6. During the negotiations for the Fourth Replenishment, it was decided to establish – pursuant to Governing Council Resolution 80/XVII – a Special Committee on IFAD’s Resource Requirements and Related Governance Issues, which met during the course of 1994. The terms of reference of the Special Committee were to review:

- (a) the modalities of financing IFAD's operations;
 - (b) the voting rights of Member States; and
 - (c) the composition of the Executive Board.
7. In particular, the Special Committee agreed on a set of working principles:
- “(i) there should be a link between individual contributions and voting rights so as to provide an incentive to all Member Countries to increase their contributions to IFAD's resources;
 - (ii) the total votes should be divided into two parts: membership votes, which would be distributed equally among Members, irrespective of the level of their contributions; and contribution votes, which would be distributed in accordance with cumulative payment of contributions;
 - (iii) all Member Countries of IFAD should have equal access to both membership and contribution votes;
 - (iv) the important role of developing countries in the governance of IFAD should be preserved. This is to be done by dividing the total votes between membership and contribution votes in such a way as to ensure that those Members of the current Category III always receive one-third of the total votes as membership votes;
 - (v) to create sufficient incentive, it was agreed by the Members that there has to be a balance between the weight given to past and future contributions;
 - (vi) the application of these principles would produce outcomes that are category or country-group neutral; and
 - (vii) on the question of arrears in making payments against contributions, for the purpose of calculating voting rights, Members' contributions should continue to be adjusted to take into account the non-payment of contributions and non-payment against drawdown calls of the promissory notes.”¹
8. On the issue of the voting rights of Member States, specifically the applicable relationship between Members' contributions and voting rights, the Special Committee, after considering a large number of voting scenarios, recommended in its report to the Governing Council that:
- “(i) the initial position of all Members' current 1 800 votes would be that all Members receive five [*with an increase in membership (164 countries) currently 4.82 votes*] membership votes and the remaining votes be distributed according to Members' paid cumulative contribution in convertible currencies; and
 - (ii) for future replenishments, beginning with the Fourth Replenishment, additional votes will be created at the rate of 100 votes for each USD 158 million of replenishment or a fraction thereof. The total additional votes created will be divided between membership and contribution votes in such a way as to ensure that those Members of the current Category III receive one-third of total votes as membership votes with each membership vote being equal for all countries.”²

¹ Report and Recommendations of the Special Committee on IFAD's Resource Requirements and Related Governance Issues, document GC 18/L.7, 14 December 1994, paragraph 5.

² *Ibid.*, paragraph 11.

9. The Special Committee also recommended that: (a) the formal category structure was no longer necessary and should be abolished; however, for the purposes of Executive Board representation, Categories I, II and III would become respectively Lists A, B and C; and (b) Members in contribution payment arrears against which provisions are made should not be eligible for Executive Board membership or should cease to exercise the privilege of Executive Board membership.

10. The Governing Council, at its Eighteenth Session in January 1995, adopted Resolution 86/XVIII approving the recommendations of the Special Committee and amending the Agreement and other basic legal texts of IFAD. In particular, Article 6, Section 3, of, and Schedule II to, the Agreement were amended to fully reflect the new voting system (see Annex II hereto). The amendments entered into force and effect on 20 February 1997 with the fulfilment of the pending conditions ("completion") of the Fourth Replenishment resolution.

11. Table 1 and Chart 1 show the current status of cumulative vote distribution in IFAD based on the actual status of payments and, in particular, the evolution of that distribution over the Fourth, Fifth and Sixth Replenishments. Table 2 and Chart 2 indicate the same information on the premise that all contributions pledged have been paid by all Member States.

Table 1
Current status of cumulative votes based on actual status of payments (at 11 May 2005)

	Initial to Third Replenishment		Fourth Replenishment		Fifth Replenishment		Sixth Replenishment	
	Votes	% of total	Votes	% of total	Votes	% of total	Votes	% of total
List A countries	752.4	41.8%	887.0	42.9%	1 029.8	44.0%	1 184.3	45.0%
List B countries	386.5	21.5%	408.5	19.8%	427.0	18.3%	451.3	17.1%
List C countries	661.0	36.7%	770.1	37.3%	882.7	37.7%	998.9	37.9%
Total votes	1 800.0	100.0%	2 065.6	100.0%	2 339.5	100.0%	2 634.5	100.0%

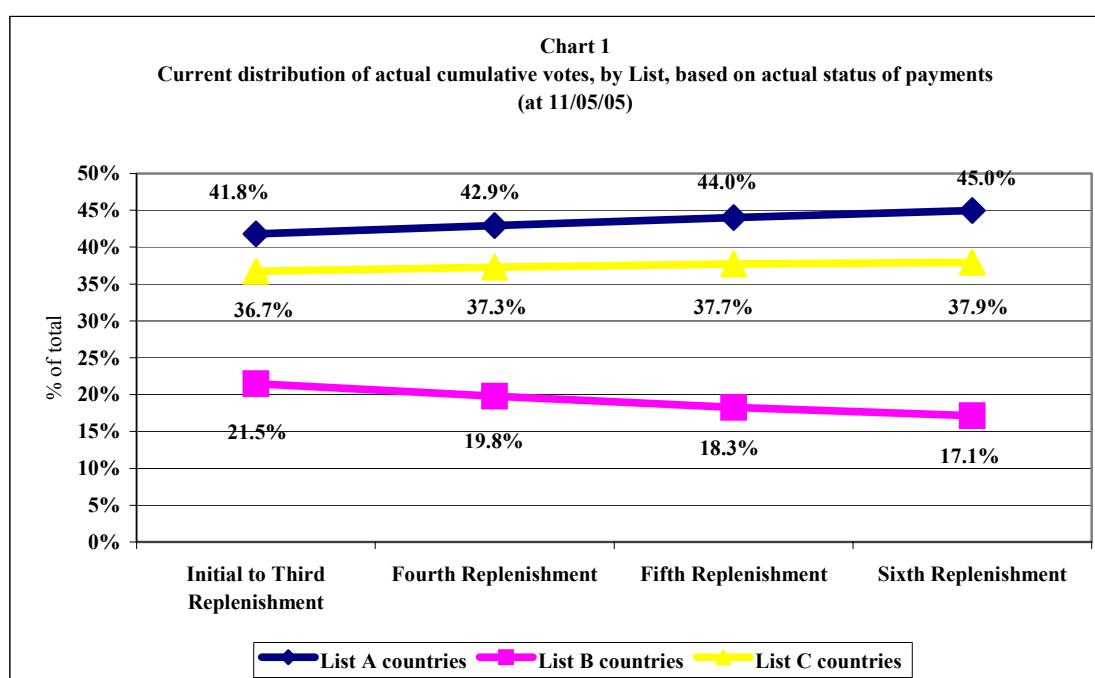
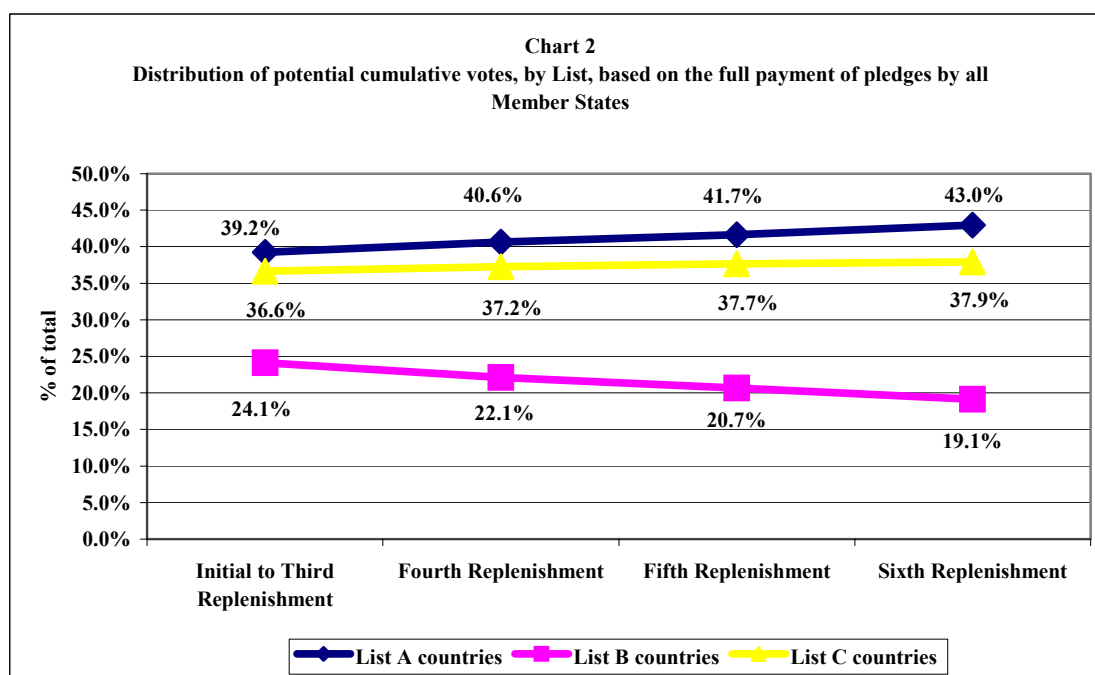


Table 2
Potential cumulative votes based on the full payment of all pledges by all Member States

	Initial to Third Replenishment		Fourth Replenishment		Fifth Replenishment		Sixth Replenishment	
	Votes	% of total	Votes	% of total	Votes	% of total	Votes	% of total
List A countries	706.2	39.2%	839.2	40.6%	974.6	41.7%	1 131.8	43.0%
List B countries	434.5	24.1%	457.1	22.1%	483.8	20.7%	504.1	19.1%
List C countries	659.3	36.6%	769.3	37.2%	881.1	37.7%	998.6	37.9%
Total votes	1 800.0	100.0%	2 065.6	100.0%	2 339.5	100.0%	2 634.5	100.0%



B. Other Institutions

12. In general, the United Nations system is characterized by two main voting systems. The first system is the most common, being found in the General Assembly of the United Nations and a number of specialized agencies responsible for particular areas of technical expertise, such as the Food and Agriculture Organization of the United Nations (FAO). Typically, the organizations that employ this system have a budget that is approved for a two-year period and is met by the payment of assessed amounts, with each Member State paying an agreed percentage of that budget. Those organizations usually have a “one country, one vote” system and have no need of an incentive for Member States to contribute inasmuch as contributions are a requirement of membership. Programmes of the United Nations, such as the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA), the United Nations Children’s Fund (UNICEF) and the World Food Programme (WFP), have a “one country, one vote” system, but representation on

their executive boards is determined by geographical grouping and agreement within those groupings. WFP's Executive Board is made up of 36 directors, 18 of whom are appointed by FAO and 18 by the Economic and Social Council of the United Nations (ECOSOC).

13. The second type of voting system is typically utilized in international financial institutions (IFIs). Within the UN system, it is exemplified by the International Development Association (IDA) and IFAD. For the sake of completeness, outside the UN system it is used by the regional banks/funds, such as the African Development Bank/Fund (AfDB/F), the Asian Development Bank/Fund (AsDB/F), and the Inter-American Development Bank/Fund for Special Operations (IDB/FSO). These organizations have annual budgets that cover the administrative costs of the secretariat in addition to a separate, large lending and grant programme. Contributions or subscriptions to these organizations are voluntary, and the funds contributed or subscribed are used primarily for the lending and grant programme, while the administrative budget is usually met from investment income earned on undisbursed funds or borrowed on financial markets (which IFAD is not able to do). These organizations have a voting system that is structured so as to provide an incentive to Member States to contribute or subscribe voluntarily to the organizations during the periodic replenishments of those funds (normally every three years) by awarding votes relative to the amount each State contributes to the organization. This incentive factor was, as indicated in paragraph 7 above, an important principle considered by the Special Committee in revising IFAD's voting system in 1994.

14. Unlike IDA, IFAD and the regional development banks/funds ensure that the developing countries among their membership have a guaranteed minimum percentage of the vote. However, it should be noted that the regional banks/funds have a much smaller membership, drawn from their respective regions, and seek a balance between the countries of the region and the non-regional donors that are also members of those organizations. Table 3 shows the nationality of directors on the executive boards of the aforementioned organizations and the distribution of votes among them. It should be noted that each director represents a constituency of members, who may be drawn from either the regional or non-regional members and/or developed and developing members or a mixture thereof. Table 4 and Chart 3 show the distribution of votes within each organization, dividing them between those members that are represented in IFAD's List A (i.e. OECD countries) and its developing member countries. On the basis of the breadth and size of their membership, the most direct comparison to IFAD is with IDA. The regional development banks/funds have a much smaller membership (AfDB/F: 77; AsDB/F: 63; IDB/FSO: 47) compared with IFAD: 164, International Bank for Reconstruction and Development (IBRD): 184 and IDA: 165. In particular, it should also be noted that IFAD gives a higher percentage of votes to its developing members in Lists B and C than any of the other organizations except the AfDB/F. More details of the voting systems and governance structure in the above-mentioned IFIs are given in Annex I.

Table 3
Voting power of executive directors and the member States they represent at selected agencies^a

World Bank Group (IBRD and IDA)			African Development Bank/Fund				Inter-American Development Bank/Fund for Special Operations (at 16 Mar 2005)		Asian Development Bank/Fund (at 31 Dec 2004)	
	IBRD (at 31 Dec 2004)	IDA (at 23 Nov 2004)	AfDB (at 31 Mar 2005)		AfDF (at 31 Mar 2005)					
Appointed directors	% of votes		% of votes		% of votes		% of votes		% of votes	
			Regional directors				Regional directors		Regional directors	
United States	16.4%	14.2%	Cameroon	2.9%	Held directly by AfDB itself, represented by six executive directors, each having 8.333% of the voting power	Venezuela (Bolivarian Republic of)	6.2%	<i>(Country names not available)</i>		
Japan	7.9%	10.8%	Algeria	4.5%		Guyana	1.5%	1	8.2%	
Germany	4.5%	6.9%	Côte d'Ivoire	4.3%		Guatemala	2.4%	2	5.5%	
France	4.3%	4.3%	Cape Verde	3.8%		Bolivia	2.5%	3	6.6%	
United Kingdom	4.3%	5.0%	South Africa	6.8%		Argentina	11.2%	4	7.8%	
Subtotal	37.4%	41.2%	Kenya	4.8%		Colombia	4.4%	5	5.7%	
Elected directors			Botswana	6.5%		Mexico	7.5%	6	8.9%	
Belgium	4.8%	4.5%	Morocco	4.9%		Chile	3.5%	7	12.9%	
Spain	4.5%	2.1%	Nigeria	9.1%		Brazil	10.8%	8	8.6%	
Netherlands	4.5%	3.7%	Egypt	5.2%						
Canada	3.9%	4.4%	Ghana	3.3%						
Brazil	3.6%	3.1%	Libyan Arab Jamahiriya	4.0%						
Italy	3.5%	3.5%	Subtotal	60.1%	50.00%	Subtotal	50.0%	Subtotal	64.24%	
New Zealand	3.5%	3.0%	Non-regional directors		United States	6.50%	Non-regional directors		Non-regional directors	
Burundi	3.4%	4.3%	Canada	6.8%	Japan	8.74%	Japan	6.1%	9	7.6%
India	3.4%	4.2%	Germany	6.8%	Norway	9.36%	Canada	4.0%	10	6.5%
Iceland	3.3%	4.9%	Denmark	6.1%	Germany	9.49%	Italy	5.1%	11	8.1%
Algeria	3.2%	1.9%	France	6.8%	Canada	6.88%	United States	30.0%	12	12.9%
Switzerland	3.0%	3.7%	United States	6.6%	France	9.00%	France	4.8%		
Kuwait	2.9%	2.2%	Japan	6.9%	Vacant	0.03%				
China	2.8%	1.9%	Subtotal	39.9%	50.00%	Subtotal	50.0%	Subtotal	35.13%	
Saudi Arabia	2.8%	3.5%								
Russian Federation	2.8%	0.3%								
Indonesia	2.5%	2.7%								
Peru	2.3%	1.7%								
Guinea-Bissau	2.0%	3.2%								
Subtotal	62.6%	58.8%								
Total	100.0%	100.0%	Total	100.0%	Total	100.00%	Total	100.0%	Total	100.00%

^a Directors of the World Bank and the IDB may represent constituencies containing members from both regional and non-regional membership and/or developed and developing membership.

Any discrepancy in totals is due to rounding.

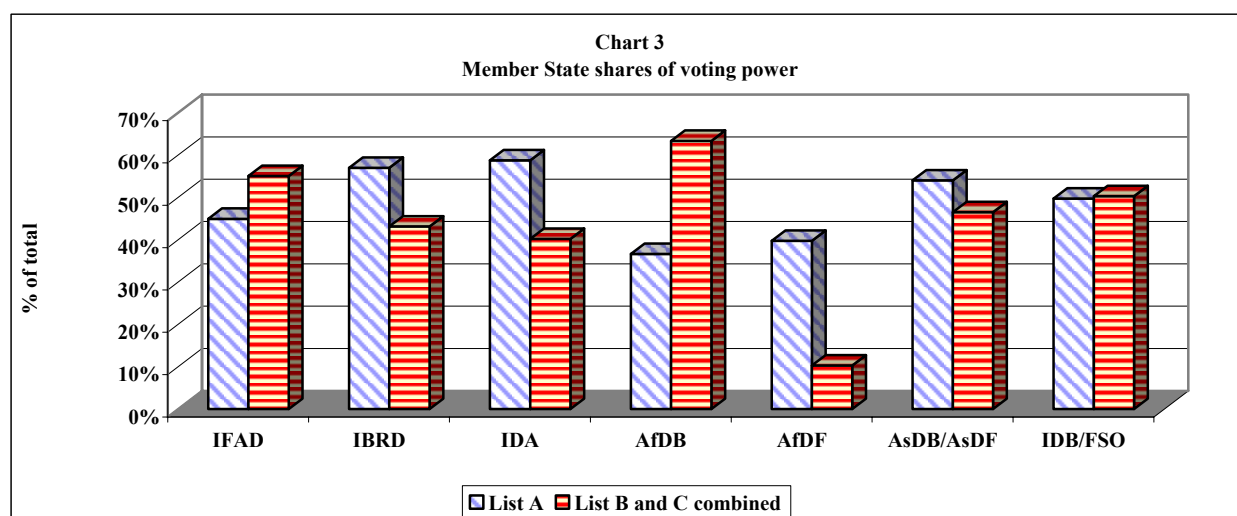
Table 4
Distribution of votes at selected IFIs, by IFAD membership group^a

	IFAD (at 11 May 2005)	IBRD (at 31 Dec 2004)	IDA (at 11 Jan 2005)	AfDB (at 31 Mar 2005)	AfDF (at 31 Mar 2005)	AsDB/ AsDF (at 31 Dec 2004)	IDB/FSO (at 16 Mar 2005)
Votes held by IFAD List A members	45.0%	57.0%	58.8%	36.6%	39.7%	54.0%	49.7%
Number of IFAD List A members	23	23	23	17	16	20	17
Votes held by IFAD List B and List C members combined	55.0%	43.1%	40.2%	63.4%	10.3%	46.5%	50.3%
Number of IFAD List B and C members	141	161	142	60	11	43	30
Total votes held	100.0%	100.0%	100.0%	100.0%	50.0%^b	100.0%	100.0%
Total number of member States	164	184	165	77	27	63	47

^a All members of other IFIs who are not IFAD members have been included in Lists B and C above.

^b The AfDB holds 50% of AfDF voting power.

Any discrepancy in totals is due to rounding.



III. MEMBERSHIP OF THE EXECUTIVE BOARD

A. IFAD

1. 30 November 1977 to 19 February 1997

15. The Executive Board of IFAD “shall be responsible for the conduct of the general operations of the Fund and, for this purpose, shall exercise the powers given to it by this Agreement or delegated to it by the Governing Council” (Article 6, Section 5(c), of the Agreement Establishing IFAD). The Board thus plays a key role in the governance of IFAD. Among other things, it approves financing for projects and programmes, decides drawdowns, approves the annual programme of work, approves operational and lending policies, reviews the annual budget and recommends to the Governing Council appropriate action on major policies.

16. The Executive Board is composed of representatives of the Member States of IFAD, who are elected for three-year terms at the annual session of the Governing Council. At IFAD's foundation in 1977, the Executive Board was composed of a total of 36 representatives ("directors"), made up of 18 members and 18 alternate members elected from among the Member States of the Fund. These seats were divided equally among the three categories of membership that existed at that time, with six members and six alternate members for each category. In practice, the membership of each category formed constituencies which provided one member and one alternate member per constituency. The composition of each constituency was decided on a bilateral basis to reflect the shared interests of the Member States in each constituency and also to ensure an approximate balance of votes between the constituencies. One member of Category I formed a constituency of its own and therefore had no alternate member, thereby reducing the actual membership of the Board to 35. The distribution of seats equally among the categories reflected the equal distribution of the votes to each category, namely 600 votes.

2. 20 February 1997 to date

17. In 1994, the Special Committee, as one of its tasks, reconsidered the distribution of seats in the Board and recommended that the following principles should apply thereto:

- “(a) priority attention should be given to appropriate and adequate regional and sub-regional representation;
- (b) the structure of membership of the Executive Board should reflect the role of developing countries in the governance of IFAD;
- (c) Members' cumulative paid contributions should be given due weight; and
- (d) Members in contribution payment arrears against which provisions are made should not be eligible for Executive Board membership or should cease to exercise the privilege of Executive Board membership.”³

18. The Special Committee recommended that the Executive Board should retain the same number of seats (18) and alternate seats (up to 18) as previously (namely 36). Within that total and in accordance with the principles set out in paragraph 7 above, the countries in Category I would share 8 seats and 8 alternate seats; the countries in Category II would share 4 seats and 4 alternate seats; and the countries in Category III would share 6 seats and 6 alternate seats. The latter were further divided into 2 seats and 2 alternate seats for each of the geographical regions (Africa, Asia and the Pacific, and Latin America and the Caribbean). Although the Special Committee recommended the abolition of the category structure, for the purposes of election to and representation on the Executive Board it agreed to substitute Categories I, II and III with Lists A, B and C, respectively, each with the same membership. It “further agreed that the distribution of seats in the Board could be reviewed in the future as deemed appropriate”.⁴

19. The Governing Council approved the Special Committee's recommendations on the distribution of seats in the Executive Board by way of Resolution 86/XVIII, which consequently amended the Agreement and the other basic legal texts of IFAD. Subsequently, each of the lists met and further amended Schedule II of the Agreement Establishing IFAD (see Annex II hereto) so as to include the revised procedures for the election of the members of each list to the Executive Board. Schedule II also provides that the Member State within each list making the highest substantial contribution to the Fund from among the Member States comprising that list should be elected to the Board. Rule 40.1 of the Rules of Procedure of the Governing Council was also amended to exclude

³ *Ibid.*, paragraph 12.

⁴ *Ibid.*, paragraph 13.

from election to the Board any Member State in contribution payment arrears against which an accounting provision has been made (both arrears in making payment against an Instrument of Contribution and in encashing a paid promissory note). Resolution 86/XVIII entered into force with the “completion” of the Fourth Replenishment resolution on 20 February 1997. The membership of the lists has remained unchanged since. The current constituencies are shown in Table 5.

20. The change in the distribution of voting rights among the three lists as a result of the increase in votes under the Fourth, Fifth and Sixth Replenishments and the relationship of that distribution to the allocation of seats on the Executive Board is given in Table 6.

B. Other Institutions

21. Details of member representation on the executive boards of AfDB/F, AsDB/F, IDB/FSO and IBRD/IDA, as well as IFAD are shown in Annex I. The regional banks (AfDB, AsDB and IDB) and their highly concessional funds have a prescribed balance between the regional members of the organization and the developed non-regional donors of the organization, while IBRD and IDA distribute membership of their boards solely in accordance with the distribution of voting rights. Table 3 shows the proportion of developed (OECD) and developing countries represented on the executive boards of selected IFIs and their voting power. For the UN agencies having a “one country, one vote” system, Table 7 shows the proportion of board members from developed (IFAD List A) and developing countries (IFAD Lists B and C).

22. In all cases, with the exception of IFAD, the members of the executive boards of these IFIs are resident in the city hosting the respective organization, are paid by the organization and hold frequent meetings throughout the year. IFAD’s Executive Board is non-resident (although some members are resident), its members are only paid travel and daily subsistence by IFAD, and it normally holds three meetings a year. With respect to size, as can be seen from Table 8, IFI executive boards range from 12 to 24 seats with the same number of alternate seats, with the prime requirement that they be large enough to be representative while being small enough to ensure ease of operation.

Table 5
IFAD Executive Board membership and constituencies
(at 11 May 2005)

List A

Member	Votes	Alternate/(Constituents)	Votes	Total constituency votes
Canada	71.5	Ireland (Finland) (Spain)	9.4 19.3 12.1	112.2
France	76.3	Belgium	33.2	109.5
Germany	109.7	Switzerland (Luxembourg)	36.1 8.0	153.8
Italy	66.8	Austria (Portugal) (Greece)	23.6 7.9 8.2	106.6
Japan	105.4	Denmark (New Zealand)	48.3 10.4	164.1
Sweden	78.3	Norway (Iceland)	56.1 7.0	141.4
United Kingdom	51.2	Netherlands	86.1	137.3
United States	236.4	Australia	23.0	259.4

List B

Member	Votes	Alternate/(Constituents)	Votes	Total constituency vote
Kuwait	61.8	United Arab Emirates (Qatar)	25.0 15.9	102.7
Nigeria	39.8	(Libyan Arab Jamahiriya) (Iran, Islamic Republic of)	22.9 11.8	74.4
Saudi Arabia	141.3	Indonesia (Gabon)	21.5 7.8	170.7
Venezuela (Bolivarian Republic of)	69.3	Algeria (Iraq)	25.0 9.2	103.5

List C

Member	Votes	Alternate/(Constituents)^a	Votes	Total constituency vote
Sub-List C1(Africa)				
Cameroon	7.4	Sudan	7.3	178.2
Egypt	12.9	Mozambique	7.1	178.2
Sub-List C2 (Asia and the Pacific)				
India	24.9	Republic of Korea	10.4	196.4
Pakistan	10.2	China	20.7	196.4
Sub-List C3 (Latin America and the Caribbean)				
Brazil	24.6	Guatemala	7.3	124.8
Mexico	17.1	Argentina	9.2	124.8
Total				2 634.5

^a Constituencies include all remaining Member States within each sub-list.

Table 6
Change in voting rights and Executive Board composition

	Initial to Third Replenishment				Fourth Replenishment				Current			
	Voting rights before 20 Feb 1997	% of total votes	Executive Board seats	% of total seats	Voting rights after 21 Feb 1997	% of total votes	Executive Board seats	% of total seats	Voting rights at 11 May 2005	% of total votes	Executive Board seats	% of total seats
List A	600	33.3%	6	33.3%	764.5	42.5%	8 (7.7)	44.4%	1 184.3	45.0%	8	44.4%
List B	600	33.3%	6	33.3%	384.7	21.4%	4 (3.8)	22.2%	451.3	17.1%	4	22.2%
List C	600	33.3%	6	33.3%	650.8	36.2%	6 (6.5)	33.3%	998.9	37.9%	6	33.3%
Total	1 800	100.0%	18 (+ 18 alternate seats)	100.0%	1 800	100.0%	18 (+ 18 alternate seats)	100.0%	2 634.5	100.0%	18 (+ 18 alternate seats)	100.0%

Any discrepancy in totals is due to rounding.

Table 7
Executive board composition at selected United Nations agencies

Organization	Members of IFAD List A	% of total	Members of IFAD Lists B and C	% of total	Total
UNDP	12	33.3%	24	66.7%	36
UNFPA	12	33.3%	24	66.7%	36
UNICEF	12	33.3%	24	66.7%	36
WFP	12	33.3%	24	66.7%	36
FAO	10	20.4%	39	79.6%	49

Table 8
Number of executive board members and alternate members

Organization	Members	Alternate members	Total
IFAD	18	18	36
World Bank Group (IBRD/IDA)	24	24	48
AfDB	18	18	36
AfDF	12	12	24
AsDB/AsDF	12	12	24
IDB/FSO	14	14	28

GOVERNANCE AND VOTING AT SELECTED IFIS

Agency	Board of Governors	Board of Directors	Voting	Votes
AsDB	Each member is represented by one governor and one alternate.	<p>12 directors, who are not members of the board of governors.</p> <p>8 directors are elected by regional governors and 4 by non-regional governors.</p> <p>Directors appoint alternates to represent them.</p>	<p>Board of governors Quorum for meetings: not less than two thirds of the total voting power of the members.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of votes cast.</p> <p>Board of directors Quorum for meetings: two-thirds majority of the total voting power of the members.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of votes cast.</p>	<p>Divided into basic and proportional.</p> <p>Basic votes equal 20% of total. Each member receives an equal share of basic votes.</p> <p>Each member's proportional votes are equal to the number of shares of capital stock held by that member.</p> <p>A member's total votes are the sum of its basic and proportional votes.</p>
AsDF	The AsDF is administered by the AsDB in exactly the same manner as it administers itself.			
AfDB	Each member is represented by one governor and one alternate.	<p>18 members, who are not governors or alternates.</p> <p>12 directors are elected by regional members and 6 by non-regional members.</p> <p>Directors appoint alternates to represent them.</p>	<p>Board of governors Quorum for meetings: majority of the number of governors or alternates, holding not less than 75% of members' total voting power.</p> <p>Voting power required for decisions: All matters placed before the board for decision generally require a two-thirds majority, except in some cases where a 75% majority of the total voting power is required.</p> <p>Board of directors Quorum for meetings: majority of the number of directors, holding not less than 70% of members' total voting power.</p> <p>Voting power required for decisions: in general, a two-thirds majority of the voting power of the members represented at the meeting.</p>	Each member has 625 votes plus one additional vote for each share of vote-bearing capital stock.

Agency	Board of Governors	Board of Directors	Voting	Votes
AfDF	<p>Governors and alternates of the AfDB are <i>ex officio</i> governors and alternates of the AfDF.</p> <p>Members of the AfDF that are not members of the AfDB appoint one governor and one alternate.</p>	<p>12 directors and alternates, of whom 6 are selected by AfDF members. The AfDB designates a further 6 governors and alternates.</p>	<p>Board of governors Quorum for meetings: majority of the total number of governors, representing not less than 75% of the total voting power.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by a 75% majority of the total voting power of the participants.</p> <p>Board of directors Quorum for meetings: majority of the total number of directors, representing not less than 75% of the total voting power.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by a 75% majority of the total voting power of the participants.</p>	<p>The AfDB and AfDF members as a group have 1 000 votes each.</p>
IBRD	<p>Each member is represented by one governor and one alternate.</p>	<p>24 executive directors, of whom 5 are appointed by the members holding the largest number of shares.</p> <p>19 are elected by all governors, except for the 5 members holding the largest number of shares.</p>	<p>Board of governors Quorum for meetings: not less than two thirds of members' total voting power.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of votes cast.</p> <p>Board of directors Quorum for meetings: not less than one half of the total voting power of the directors.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of votes cast.</p>	<p>Each member has 250 votes plus one additional vote for each share of stock held. Total number of votes at 31 December 2004 stood at 1 616 661.</p>

ANNEX I

Agency	Board of Governors	Board of Directors	Voting	Votes
IDA	Governors and alternates of IBRD are <i>ex officio</i> governors and alternates of IDA.	24 directors. Directors and alternates of IBRD are <i>ex officio</i> directors and alternates of IDA (so long as the country that appoints them is a member of IDA).	<p>Board of governors Quorum for meetings: a two-thirds majority of the total voting power of the members.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of votes cast.</p> <p>Board of directors Quorum for meetings: not less than one half of the total voting power of the directors.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of votes cast.</p>	<p>500 votes plus one additional vote for each share of stock held. After IDA 3, it was decided that the voting power of each Part I country (major donor countries) should correspond, except for membership votes, to its share of total cumulative Part I resources.</p> <p>It was also decided that the relative voting power of Part II countries (primarily, developing recipient countries) be maintained and that their membership votes be increased.</p>
IDB	Each member appoints one governor and one alternate.	<p>14 directors.</p> <p>One executive director is appointed by the largest shareholder; no fewer than 3 are elected by non-regional governors or members; and no fewer than 10 others are elected by the governors of the remaining member countries.</p> <p>Each of the 14 directors appoints an alternate, not of the same nationality.</p>	<p>Board of governors Quorum for meetings: an absolute majority of the total number of governors, including an absolute majority of regional members, representing not less than two thirds of members' total voting power.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of the total voting power of the member countries.</p> <p>Board of directors Quorum for meetings: an absolute majority of the total number of directors, including an absolute majority of regional members, representing not less than two thirds of the total voting power of the members.</p> <p>Voting power required for decisions: unless otherwise specified, matters are decided by the majority of the total voting power of the member countries.</p>	Each member has 135 votes plus one vote for each share of vote-bearing stock.

Agency	Board of Governors	Board of Directors	Voting	Votes
IDB/ FSO	The board of governors of the IDB has full powers to administer the FSO. A vice-president of the IDB is in charge of the FSO.	The board of executive directors of the IDB acts as board of executive directors for the FSO.	In making decisions of the FSO, the board of governors or executive directors of the FSO have the same voting power as in the IDB. A majority constitutes three fourths of the total voting power of member countries, unless otherwise specified.	
IFAD	Each Member appoints one governor and one alternate.	18 members and 18 alternates. 8 members and 8 alternates are appointed/elected by List A countries (industrialized donor countries), 4 members and 4 alternates by List B countries (OPEC donor countries), and 6 members and 6 alternates by List C countries (developing recipient countries).	Governing Council Quorum for meetings: two thirds of Members' total voting power. Voting power required for decisions: most decisions require a two-thirds, three-fourths or four-fifths majority of the total number of votes. Executive Board Quorum for meetings: two thirds of members' total voting power. Voting power required for decisions: most decisions require a majority of the total number of votes cast.	Votes consist of membership votes and contribution votes. All Members have an equal number of membership votes. Contribution votes are allocated according to each Member's paid share of contributions to each replenishment of resources. Votes allocated among Members in a manner which ensures that the recipient developing Member countries (List C) always maintain at least one third of the total voting power.

EXTRACTS FROM THE AGREEMENT ESTABLISHING IFAD

(a) ARTICLE 6, SECTION 3

“Section 3 – Voting in the Governing Council

- (a) The total number of votes in the Governing Council shall be comprised of Original Votes and Replenishment Votes. All Members shall have equal access to those votes on the following basis:
- (i) **Original Votes** shall consist of a total of one thousand eight hundred (1 800) votes made up of membership votes and contribution votes:
 - (A) **membership votes** shall be distributed equally among all Members; and
 - (B) **contribution votes** shall be distributed among all Members in the proportion that each Member’s cumulative paid contributions to the resources of the Fund authorized by the Governing Council prior to 26 January 1995 and made by Members in accordance with Sections 2, 3 and 4 of Article 4 of this Agreement, bear to the aggregate of the total of the said contributions paid by all Members;
 - (ii) **Replenishment Votes** shall be made up of membership votes and contribution votes in a total amount of votes to be decided by the Governing Council upon each occasion that it calls for additional contributions under Section 3 of Article 4 of this Agreement (a “replenishment”) commencing with the fourth such replenishment. Except as the Governing Council shall by a two-thirds majority of the total number of votes otherwise decide, the votes for each replenishment shall be established in the ratio of one hundred (100) votes for the equivalent of each one hundred and fifty eight million United States dollars (USD 158 000 000) contributed to the total amount of that replenishment, or a fraction thereof:
 - (A) **membership votes** shall be distributed equally among all Members on the same basis as that set forth in provision (i)(A) above; and
 - (B) **contribution votes** shall be distributed among all Members in the proportion that each Member’s paid contribution to the resources contributed to the Fund by Members for each replenishment bears to the aggregate of the total contributions paid by all Members to the said replenishment; and
 - (iii) The Governing Council shall decide the total number of votes to be allocated as membership votes and contribution votes under paragraphs (i) and (ii) of this Section. Upon any change in the number of Members of the Fund, the membership votes and contribution votes distributed under paragraphs (i) and (ii) of this Section shall be redistributed in accordance with the principles laid down in the said paragraphs. In the allocation of votes, the Governing Council shall ensure that those Members classified as Members of Category III before 26 January 1995 receive one-third of the total votes as membership votes.
- (b) Except as otherwise specified in this Agreement, decisions of the Governing Council shall be taken by a simple majority of the total number of votes.”

(b) SCHEDULE II

“DISTRIBUTION OF VOTES AND ELECTION OF EXECUTIVE BOARD MEMBERS

1. The Governing Council, in accordance with the procedures specified in paragraph 29 of this Schedule, shall decide, from time to time, the distribution of seats and alternate seats among the Members of the Fund, taking into account: (i) the need to strengthen and safeguard the mobilization of resources for the Fund; (ii) the equitable geographic distribution of the said seats; and (iii) the role of developing Member Countries in the governance of the Fund.
2. **Distribution of Votes in the Executive Board.** Each member of the Executive Board shall be entitled to cast the votes of all of the Members that it represents. Where the member represents more than one Member, it may cast separately the votes of the Members that it represents.
3. (a) **Lists of Member Countries.** The Member Countries shall be divided, from time to time, into Lists A, B and C for the purposes of this Schedule. Upon joining the Fund, a new Member shall decide on which List it wishes to be placed and, after consultation with the Members of that List, shall provide appropriate notification thereof to the President of the Fund in writing. A Member may, at the time of each election for the members and alternate members representing the List of Member Countries to which it belongs, decide to withdraw from one List of Member Countries and place itself upon another List of Member Countries, with the approval of the Members therein. In such event, the concerned Member shall inform the President of the Fund in writing of such change, who shall, from time to time, inform all Members of the composition of all the Lists of Member Countries.

(b) **Distribution of Seats in the Executive Board.** The eighteen (18) members and up to eighteen (18) alternate members of the Executive Board shall be elected or appointed from the Members of the Fund and of whom:
 - (i) eight (8) members and up to eight (8) alternate members shall be elected or appointed from among those Members set forth in the List A of Member Countries, to be established from time to time;
 - (ii) four (4) members and four (4) alternate members shall be elected or appointed from among those Members set forth in the List B of Member Countries, to be established from time to time; and
 - (iii) six (6) members and six (6) alternate members shall be elected or appointed from among those Members set forth in the List C of Member Countries, to be established from time to time.
4. **Procedures for the Election of Executive Board Members.** The procedures that shall apply for the election or appointment of members and alternate members to vacant seats on the Executive Board shall be those set forth below for the respective Members of each List of Member Countries.

ANNEX II

A. ELECTION OF MEMBERS OF THE EXECUTIVE BOARD AND THEIR ALTERNATES**Part I – List A Member Countries**

5. All of the members and alternate members of the Executive Board from List A of Member Countries shall serve for a term of three years.
6. List A Member Countries shall form constituencies and, on the basis of procedures agreed by the List A Member Countries and its constituencies, shall appoint eight members to the Executive Board and shall also appoint up to eight alternates.
7. **Amendments.** The Governors representing List A Member Countries may by a unanimous decision amend the provisions of Part I of this Schedule (paragraphs 5 to 6). Unless otherwise decided, the amendment shall have immediate effect. The President of the Fund shall be informed of any amendment to Part I of this Schedule.

Part II – List B Member Countries

8. All of the members and alternate members of the Executive Board from List B of Member Countries shall serve for a term of three years.
9. The Members of List B shall form themselves into a number of constituencies equal to the number of seats allocated to the List, with each constituency represented by one member and one alternate member in the Executive Board. The President of the Fund shall be informed of the composition of each constituency and any changes thereto that may be made by the Members of List B from time to time.
10. The Members of List B shall decide on the procedures that shall apply for the election or appointment of members and alternate members to vacant seats on the Executive Board and shall provide a copy thereof to the President of the Fund.
11. **Amendments.** The provisions of Part II of this Schedule (paragraphs 8 to 10) may be amended by a vote of the Governors representing two-thirds of the List B Member Countries whose contributions (made in accordance with Section 5(c) of Article 4) amount to seventy percent (70%) of the contributions of all List B Member Countries. The President of the Fund shall be informed of any amendments to Part II of this Schedule.

Part III – List C Member Countries:**Elections**

12. All the members and alternate members of the Executive Board from List C of Member Countries shall serve for a term of three years.
13. Except as decided otherwise by the Member Countries of List C, of the six (6) members and six (6) alternate members of the Executive Board elected or appointed from among the List C Member Countries, two (2) members and two (2) alternate members shall be from each of the following regions, as these are set forth in each of the sub-Lists of List C Member Countries:

Africa (sub-List C1);
Europe, Asia and the Pacific (sub-List C2); and
Latin America and the Caribbean (sub-List C3).

14. (a) In accordance with the provisions contained in paragraphs 1 and 27 of this Schedule, the Member Countries of List C shall elect from the countries of its sub-List two members and two alternate members to represent the interests of the whole of the said sub-List, including at least one member or one alternate member from among the Member Countries in that sub-List making the highest substantial contributions to the resources of the Fund.
- (b) The Members of List C may review at any time but not later than the Sixth Replenishment of the Fund's resources, the provisions of sub-paragraph (a) above, taking into account the experience of each sub-List in the implementation of the said sub-paragraph and, if necessary, amend it keeping in view the relevant principles contained in Resolution 86/XVIII of the Governing Council.
15. Balloting shall first take place for all members to be elected from each sub-List for which there is a vacancy and for which countries from each sub-List shall nominate candidates. Balloting for each seat shall take place among the Members of the List C.
16. After all members have been elected, balloting shall take place for electing alternate members in the same orders indicated in paragraph 15 above.
17. Election shall require a simple majority of the valid votes cast, not counting abstentions.
18. If no candidate obtains in the first ballot the majority specified in paragraph 17 above, successive ballots shall be held, from each of which that candidate shall be eliminated who receives the lowest number of votes in the previous ballot.
19. In case of a tied vote, the ballot shall, if necessary, be repeated and, if the tie persists in that ballot and on one subsequent one, a decision shall be taken by drawing lots.
20. If at any stage there is only one candidate for a vacancy, he may be declared elected without a ballot, if no Governor objects.
21. Meetings of the List C Member Countries for electing or appointing members and alternate members of the Executive Board shall be held in private. The Members of the List C shall appoint by consensus a Chairman for these meetings.
22. The Members of each sub-List shall appoint by consensus the Chairman of the respective sub-List meeting.
23. The names of the members and alternate members elected shall be furnished to the President of the Fund along with the term of office of each member and alternate member and the list of principals and alternates.

Casting of Votes in the Executive Board

24. For the purpose of casting votes in the Executive Board, the total number of votes of the countries of each sub-List shall be divided equally between the members of the sub-List concerned.

Amendments

25. Part III of this Schedule (paragraphs 12 to 24) may be amended from time to time by a two-thirds majority of the List C Member Countries. The President of the Fund shall be informed of any amendments to Part III of this Schedule.

B. GENERAL PROVISIONS APPLICABLE TO LIST A, B, AND C

26. The names of the members and alternate members elected or appointed by Lists A, B and C of Member Countries, respectively, shall be furnished to the President of the Fund.
27. Notwithstanding anything to the contrary in paragraphs 5 to 25 above, at the time of each election, the Members of a List of Member Countries or the members of a constituency within a List may decide to appoint a specified number of Members making the highest substantial contribution to the Fund from that List as a member or alternate member of the Executive Board for that List of Member Countries in order to encourage Members to contribute to the resources of the Fund. In such event, the result of that decision shall be notified in writing to the President of the Fund.
28. Once a new Member Country has joined a List of Member Countries, its Governor may designate an existing member of the Executive Board for that List of Member Countries to represent it and cast its votes until the next election of members of the Executive Board for that List. During such period, a member so designated shall be deemed to have been elected or appointed by the Governor which so designated it and the Member Country shall be deemed to have joined that member's constituency.
29. **Amendments to Paragraphs 1 to 4, 7, 11 and 25 to 29.** The procedures set forth in paragraphs 1 to 4, 7, 11 and 25 to 29 inclusive herein may be amended from time to time by a two-thirds majority of the total votes of the Governing Council. Unless otherwise decided, any amendment of paragraphs 1 to 4, 7, 11 and 25 to 29 inclusive shall take effect immediately upon adoption thereof."