By-laws for the Conduct of the Business of IFAD
These By-laws for the Conduct of the Business of IFAD were adopted by the Governing Council at its First Session on 16 December 1977.

- The Governing Council amended Sections 7, 10 and 14 of the By-laws in paragraph III of its Resolution 86/XVIII, which was adopted on 26 January 1995 and entered into force on 20 February 1997.

- The Governing Council at its Forty-First Session amended Section 2.1 of the By-laws with its Resolution 202/XLI.
These By-laws, adopted pursuant to Article 6.2(f) of the Agreement, are intended to be complementary to the Agreement and shall be construed accordingly. In the event of a conflict between the provisions of these By-laws and the Agreement, the provisions of the Agreement shall prevail. In the event of a conflict between these By-laws and any rules and regulations adopted pursuant to the Agreement, the By-laws shall prevail.

Section 1

DEFINITIONS

(a) Agreement” means the Agreement Establishing the Fund;
(b) “Bureau” means the Chairman and Vice-Chairmen of the Governing Council;
(c) “Executive Board” means the Executive Board of the Fund;
(d) “Fund” means the International Fund for Agricultural Development;
(e) “Governing Council” means the Governing Council of the Fund;
(f) “Governor” means the person whom a Member had designated as its principal representative at a session of the Governing Council and, except where otherwise specified, includes the alternate appointed by that Member;
(g) “Member” means a Member of the Fund;
(h) “President” means the President of the Fund; and
(i) “Secretary” means the Secretary of the Fund.

Section 2

CHANNEL OF COMMUNICATION, DEPOSITORIES

1. Each Member shall designate an appropriate official entity for communication between itself and the Fund in connection with any matter arising under the Agreement. Where a Member has not designated an appropriate official entity for communication between itself and the Fund, the Permanent Representation of the Member State in Rome or, in the absence thereof, the Permanent Representation of the Member State to IFAD, shall be deemed to be its channel of communication. A communication between the Fund and such entity shall constitute a communication between the Fund and the Member.

2. Each Member, if requested by the Fund, shall designate its central bank, or any other agency acceptable to the Fund, as a depository with which the Fund may keep its holdings of currency of that Member as well as other assets of the Fund.
Section 3

CONDITIONS OF SERVICE OF GOVERNORS

Governors and their advisers shall perform their duties without remuneration from the Fund. Their expenses incurred in attending sessions of the Governing Council shall not be paid by the Fund.

Section 4

EXECUTIVE BOARD

Each member and alternate member of the Executive Board shall appoint a person competent in the fields of the Fund’s activities to represent it on the Board. Each such representative shall serve on the Board at least for one term of the member or the alternate member concerned, unless such member decides otherwise.

Section 5

TRAVEL AND SUBSISTENCE EXPENSES OF REPRESENTATIVES ON THE BOARD

The representative of a member or alternate member of the Executive Board, appointed pursuant to Section 4, attending a meeting of the Board shall be entitled to receive actual expenses incurred for travel by the most direct route to and from the place of the meeting, unless such right is waived by the member concerned. In the case of air travel, reimbursement shall be for economy class airfare. The appointed representatives shall also be entitled to receive per diem under the conditions and at the rate payable by the Fund to its senior staff.

Section 6

THE PRESIDENT

1. 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.

2. When the term of office of the President is due to expire, the appointment of a President shall be placed on the agenda of the annual session of the Governing Council immediately preceding the expiry of the term of office; whenever, for other reasons, the office of President becomes vacant or a vacancy is due to occur, the Executive Board shall request that the Governing Council be convened in special session for the purpose of appointing the President. Nominations for the office of
President may be submitted to the Secretary of the Fund by Members, along with a curriculum vitae. Except as the Bureau of the Council may decide otherwise, all nominations shall be submitted no less than 60 days before the opening of the session at which the appointment of the President is to be decided. The President shall communicate timely nominations to all Members and the Bureau no less than 40 days prior to the session of the Council.

3. The President shall designate the staff member to exercise the authority and perform the functions of the President, should he become incapacitated or there arise a vacancy in his office. If he has failed to do so, the Executive Board shall designate a senior officer of the Fund to exercise the authority and perform the functions of the President temporarily. Any person exercising the authority and performing the functions of the President under this paragraph shall have the same powers and duties as the President, except the power to appoint a Vice-President.

Section 7

DELEGATION OF POWERS

The Governing Council may, from time to time, by resolution delegate any of its powers to the Executive Board, except those reserved to the Council by Article 6.2(c)(i-vi) of the Agreement and those specified in Articles 4.3, 4.4, 6.2(e), 6.2(f), 6.5(e), 6.8(a), 6.8(b), 6.8(d), 6.9, 6.10, 7.1(e) and 8.1 thereof.1 The Board shall not take any action pursuant to powers delegated to it by the Council that is inconsistent with any decision of the Council.

Section 8

FINANCIAL YEAR

The financial year of the Fund shall begin on 1 January and end on 31 December of each year.

1 The Governing Council, at its First Session on 16 December 1977, adopted the following Resolution, which was amended by Resolution 86/XVIII, adopted by it on 26 January 1995 and entered into force on 20 February 1997:

"Resolution 77/2 Delegation of Powers to the Executive Board
The Governing Council,
Pursuant to Article 6.2(c) of the Agreement Establishing the Fund and to Section 7 of the By-laws of the Fund,
Authorizes the Executive Board to exercise all the powers of the Council, with the exception of those specified in Articles 4.3, 4.4, 6.2(e), 6.2(f), 6.5(e), 6.8(a), 6.8(b), 6.8(d), 6.9, 6.10, 7.1(e) and 8.1 of the Agreement Establishing the Fund, and those reserved to the Council by Article 6.2(c) (i-vi) thereof."

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Section 9

AUDITING OF ACCOUNTS

The accounts of the Fund shall be audited at least once a year by highly-qualified outside auditors selected by the Governing Council on the recommendation of the Executive Board. The Board shall submit to the Council, for approval at its annual session, the audited financial statements of the Fund, including the general balance sheet and a statement of profit and loss.

Section 10

APPLICATION FOR MEMBERSHIP IN THE FUND

Prior to consideration of an application for membership in the Fund by the Governing Council, the Executive Board, after consultation with the applicant State or grouping of States, shall inform the Council of the amount of the initial contribution proposed by the applicant, with any comments of the Board thereon.

Section 11

SUSPENSION OF A MEMBER

Before any Member is suspended from membership in the Fund pursuant to Article 9.2(a) of the Agreement, the matter shall be considered by the Executive Board, which shall inform the Member in writing, sufficiently in advance, of the complaint against it, and shall give the Member a reasonable time to explain its case orally and in writing. The Board shall recommend to the Governing Council whatever action it considers appropriate. The Member shall be notified in writing of the recommendations and of the date on which the matter is to be considered by the Council, and it shall be given a reasonable time to present its case orally and in writing before the Council. The Member may waive this right.

Section 12

REPORTS

In addition to the annual report referred to in Article 6.11 of the Agreement, the Fund may also publish such other reports as it deems desirable in the carrying out of its objective and functions. Such reports shall be prepared in the languages of the Governing Council and transmitted to the Members.
Section 13

**ARBITRATION**

In the case of a dispute submitted to arbitration pursuant to Article 11.2 of the Agreement, the power to appoint arbitrators in the contingency specified in the third sentence of that Article shall, if the President of the International Court of Justice is a national of the State party to the dispute or is unable to discharge his duties, devolve on the Vice-President of the Court, or, if he is similarly precluded, on the oldest among the members of the Court not so precluded who have been longest on the bench.

Section 14

**AMENDMENTS TO THE BY-LAWS**

The Governing Council may, by a two-thirds majority of the total number of votes, amend these By-laws at any of its sessions.