
Overeenkomst tot instelling van het Internationaal Fonds voor Agrarische Ontwikkeling, Rome, 13-06-1976 Geldend van 22-12-2006 t/m heden

Agreement establishing the International Fund for Agricultural Development

Preamble

Recognizing that the continuing food problem of the world is afflicting a large segment of the people of the developing countries and is jeopardizing the most fundamental principles and values associated with the right to life and human dignity;

Considering the need to improve the conditions of life in the developing countries and to promote socio-economic development within the context of the priorities and objectives of the developing countries, giving due regard to both economic and social benefits;

Bearing in mind the responsibility of the Food and Agriculture Organization of the United Nations within the United Nations system, to assist the efforts of developing countries to increase food and agricultural production, as well as that organization's technical competence and experience in this field;

Conscious of the goals and objectives of the International Development Strategy for the Second United Nations Development Decade and especially the need to spread the benefits of assistance to all;

Bearing in mind paragraph (f) of part 2 ("Food") of Section I of General Assembly resolution 3202 (S-VI) on the Programme of Action on the Establishment of a New International Economic Order;

Bearing in mind also the need for effecting transfer of technology for food and agricultural development and Section V ("Food and Agriculture") of General Assembly resolution 3362 (S-VII) on development and international economic co-operation, with particular reference to paragraph 6 thereof regarding the establishment of an International Fund for Agricultural Development;

Recalling paragraph 13 of General Assembly resolution 3348 (XXIX) and resolutions I and II of the World Food Conference on the objectives and strategies of food production and on the priorities for agricultural and rural development;

Recalling resolution XIII of the World Food Conference which recognized:

- (i) the need for a substantial increase in investment in agriculture for increasing food and agricultural production in the developing countries;
- (ii) that provision of an adequate supply and proper utilization of food are the common responsibility of all members of the international community; and
- (iii) that the prospects of the world food situation call for urgent and co-ordinated measures by all countries;

and which resolved:

- * that an International Fund for Agricultural Development should be established immediately to finance agricultural development projects primarily for food production in the developing countries;

The Contracting Parties have agreed to establish the International Fund for Agricultural Development, which shall be governed by the following provisions:

Article 1. Definitions

For the purposes of this Agreement the terms set out below shall have the following meaning, unless the context otherwise requires:

- (a) "Fund" shall mean the International Fund for Agricultural Development;
- (b) "food production" shall mean the production of food including the development of fisheries and livestock;
- (c) "State" shall mean any State, or any grouping of States eligible for membership of the Fund in accordance with Section 1 (b) of Article 3;
- (d) "freely convertible currency" shall mean:
 - (i) currency of a Member which the Fund determines, after consultation with the International Monetary Fund, is adequately convertible into the currencies of other Members for the purposes of the Fund's operations; or
 - (ii) currency of a Member which such Member agrees, on terms satisfactory to the Fund, to exchange for the currencies of other Members for the purposes of the Fund's operations.
- "Currency of a Member" shall, in respect of a Member that is a grouping of States, mean the currency of any member of such grouping;
- (e) "Governor" shall mean a person whom a Member has designated as its principal representative at a session of the Governing Council;
- (f) "votes cast" shall mean affirmative and negative votes.

Article 2. Objective and functions

The objective of the Fund shall be to mobilize additional resources to be made available on concessional terms for agricultural development in developing Member States. In fulfilling this objective the Fund shall provide financing primarily for projects and programmes specifically designed to introduce, expand or improve food production systems and to strengthen related policies and institutions within the framework of national priorities and strategies, taking into consideration: the need to increase food production in the poorest food deficit countries; the potential for increasing food production in other developing countries; and the importance of improving the nutritional level of the poorest populations in developing countries and the conditions of their lives.

Article 3. Membership

Section 1 - Eligibility for membership

- (a) Membership of the Fund shall be open to any State member of the United Nations or of any of its specialized agencies, or of the International Atomic Energy Agency.
- (b) Membership shall also be open to any grouping of States whose members have delegated to it powers in fields falling within the competence of the Fund, and which is able to fulfil all the obligations of a Member of the Fund.

Section 2 - Original Members and non-original Members

- (a) Original Members of the Fund shall be those States listed in Schedule I, which forms an integral part of this Agreement, that become parties to this Agreement in accordance with Section 1 (b) of Article 13.
- (b) Non-original Members of the Fund shall be those other States that, after approval of their membership by the Governing Council, become parties to this Agreement in accordance with Section 1 (c) of Article 13.

Section 3 - limitation of liability

No Member shall be liable, by reason of its membership, for acts or obligations of the Fund.

Article 4. Resources

Section 1 - Resources of the Fund

The resources of the Fund shall consist of:

- (i) initial contributions;
- (ii) additional contributions;
- (iii) special contributions from non-member States and from other sources;
- (iv) funds derived or to be derived from operations or otherwise accruing to the Fund.

Section 2 - Initial contributions

- (a) The amount of an initial contribution of an original and a non-original Member shall be the amount and in the currency of such contribution specified by the Member in its instrument of ratification, acceptance, approval or accession deposited by that Member pursuant to Section 1(b) and (c) of Article 13 of this Agreement.
- (b) The initial contribution of each Member shall be due and payable in the forms set forth in Section 5 (b) and (c) of this Article, either in a single sum or, at the option of the Member, in three equal annual instalments. The single sum or the first annual instalment shall be due on the thirtieth day after this Agreement enters into force with respect to that Member; any second and third instalments shall be due on the first and on the second anniversary of the date on which the first instalment was due.

Section 3 - Additional contributions

In order to assure continuity in the operations of the Fund, the Governing Council shall periodically, at such intervals as it deems appropriate, review the adequacy of the resources available to the Fund; the first such review shall take place not later than three years after the Fund commences operations. If the Governing Council, as a result of such a review, deems it necessary or desirable, it may invite Members to make additional contributions to the resources of the Fund on terms and conditions consistent with Section 5 of this Article. Decisions under this Section shall be taken by a two-thirds majority of the total number of votes.

Section 4 - Increases in contributions

The Governing Council may authorize, at any time, a Member to increase the amount of any of its contributions.

Section 5 - Conditions governing contributions

- (a) Contributions shall be made without restriction as to use and shall be refunded to contributing Members only in accordance with Section 4 of Article 9.
- (b) Contributions shall be made in freely convertible currencies.
- (c) Contributions to the Fund shall be made in cash or, to the extent that any part of such contributions is not needed immediately by the Fund in its operations, such part may be paid in the form of nonnegotiable, irrevocable, non-interest bearing promissory notes or obligations payable on demand. In order to finance its operations, the Fund shall draw down all contributions (regardless of the form in which they are made) as follows:
 - (i) contributions shall be drawn down on *apro rata* basis over reasonable periods of time as determined by the Executive Board;
 - (ii) where a contribution is paid partly in cash, the part so paid shall be drawn down, in accordance with paragraph (i), before the rest of the contribution. Except to the extent that the part paid in cash is thus drawn down, it may be deposited or invested by the Fund to produce income to help defray its administrative and other expenditures;
 - (iii) all initial contributions, as well as any increases in them, shall be drawn down before any additional contributions are drawn down. The same rule shall apply to further additional contributions.

Section 6 - Special contributions

The resources of the Fund may be increased by special contributions from non-member States or other sources on such terms and conditions, consistent with Section 5 of this Article, as shall be approved by the Governing Council on the recommendation of the Executive Board.

Article 5. Currencies

Section 1 - Use of currencies

- (a) Members shall not maintain or impose any restriction on the holding or use by the Fund of freely convertible currencies.
- (b) The non-convertible currency contributions of a Member made to the Fund on account of that Member's initial or additional contributions prior to 26 January 1995 may be used by the Fund, in consultation with the Member concerned, for the payment of administrative expenditures and other costs of the Fund in the territories of that Member, or, with the consent of that Member, for the payment of goods or services produced in its territories and required for activities financed by the Fund in other States.

Section 2 - Valuation of currencies

- (a) The unit of account of the Fund shall be the Special Drawing Right of the International Monetary Fund.
- (b) For the purposes of this Agreement, the value of a currency in terms of the Special Drawing Right shall be calculated in accordance with the method of valuation applied by the International Monetary Fund, provided that:
 - (i) in the case of the currency of a member of the International Monetary Fund for which such value is not available on a current basis, the value shall be calculated after consultation with the International Monetary Fund;
 - (ii) in the case of the currency of a non-member of the International Monetary Fund, the value of the currency in terms of the Special Drawing Right shall be calculated by the Fund on the basis of an appropriate exchange rate relationship between that currency and the currency of a member of the International Monetary Fund for which a value is calculated as specified above.

Article 6. Organization and management

Section 1 - Structure of the Fund The Fund shall have:

The Fund shall have:

- (a) a Governing Council;
- (b) an Executive Board;
- (c) a President and such staff as shall be necessary for the Fund to carry out its functions.

Section 2 - The Governing Council

- (a) Each Member shall be represented on the Governing Council and shall appoint one Governor and an alternate. An alternate may vote only in the absence of his principal.
- (b) All the powers of the Fund shall be vested in the Governing Council.
- (c) The Governing Council may delegate any of its powers to the Executive Board with the exception of the power to:
 - (i) adopt amendments to this Agreement;
 - (ii) approve membership;
 - (iii) suspend a Member;
 - (iv) terminate the operations of the Fund and distribute its assets;
 - (v) decide appeals from decisions made by the Executive Board concerning the interpretation or application of this Agreement;
 - (vi) determine the remuneration of the President.
- (d) The Governing Council shall hold an annual session, and such special sessions as it may decide, or as are called by Members having at least one fourth of the total number of votes in the Governing Council, or as requested by the Executive Board by a two-thirds majority of the votes cast.
- (e) The Governing Council may by regulation establish a procedure whereby the Executive Board may obtain a vote of the Council on a specific question without calling a meeting of the Council.

- (f) The Governing Council may, by a two-thirds majority of the total number of votes, adopt such regulations and by-laws not inconsistent with this Agreement as may be appropriate to conduct the business of the Fund.
- (g) A quorum for any meeting of the Governing Council shall be constituted by Governors exercising two-thirds of the total votes of all its members.

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, authorised 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.¹⁾
- (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.

Section 4 - Chairman of the Governing Council

The Governing Council shall elect a Chairman from among the Governors, who shall serve for two years.

Section 5 - Executive Board

- (a) The Executive Board shall be composed of 18 members and up to 18 alternate members, elected from the Members of the Fund at the annual session of the Governing Council. The seats in the Executive Board shall be distributed by the Governing Council from time to time and specified in Schedule II to this Agreement. The members of the Executive Board and their

1) The allocation of votes shall be in accordance with the basic principles approved by the Governing Council in the Report of the Special Committee and, in particular, paragraph 5 thereof. The Governing Council, at each replenishment, will adopt a resolution dealing with the replenishment and the distribution of votes among Members of the Governing Council and the Executive Board for each replenishment period from the Fourth Replenishment onwards. The resolution on the Fourth Replenishment will contain details of the votes distributed to Members up to the end of the Third Replenishment period.

alternates, who may vote only in the absence of a member, shall be elected and appointed in accordance with the procedures set forth in Schedule II hereto, which forms an integral part of this Agreement.

- (b) Members of the Executive Board shall serve for a term of three years.
- (c) The Executive Board 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.
- (d) The Executive Board shall meet as often as the business of the Fund may require.
- (e) The representatives of a member or of an alternate member of the Executive Board shall serve without remuneration from the Fund. However, the Governing Council may decide the basis on which reasonable travel and subsistence expenses may be granted to one such representative of each member and of each alternate member.
- (f) A quorum for any meeting of the Executive Board shall be constituted by members exercising two-thirds of the total votes of all its members.

Section 6 - Voting in the Executive Board

- (a) The Governing Council shall, from time to time, decide the distribution of votes among the members of the Executive Board in accordance with the principles established in Section 3(a) of Article 6 of this Agreement.²⁾
- (b) Except as otherwise specified in this Agreement, decisions of the Executive Board shall be taken by a majority of three fifths of the votes cast, provided that such majority is more than one half of the total number of votes of all members of the Executive Board.

Section 7 - Chairman of the Executive Board

The President of the Fund shall be the Chairman of the Executive Board and shall participate in its meetings without the right to vote.

Section 8 - President and staff

- (a) The Governing Council shall appoint the President by a two-thirds majority of the total number of votes. He shall be appointed for a term of four years and shall be eligible for reappointment for only one further term. The appointment of the President may be terminated by the Governing Council by a two-thirds majority of the total number of votes.
- (b) Notwithstanding the restriction on the term of office of the President of four years, contained in paragraph (a) of this Section, the Governing Council may, under special circumstances, on the recommendation of the Executive Board, extend the term of office of the President beyond the duration prescribed in paragraph (a) above. Any such extension shall be for no more than six months.
- (c) The President may appoint a Vice-President, who shall perform such duties as shall be assigned to him by the President.
- (d) The President shall head the staff and, under the control and direction of the Governing Council and the Executive Board, shall be responsible for conducting the business of the Fund. The President shall organize the staff and shall appoint and dismiss members of the staff in accordance with regulations adopted by the Executive Board.
- (e) In the employment of the staff and in the determination of the conditions of service consideration shall be given to the necessity of securing the highest standards of efficiency, competence and integrity as well as to the importance of observing the criterion of equitable geographical distribution.
- (f) The President and the staff, in the discharge of their functions, owe their duty exclusively to the Fund and shall neither seek nor receive instructions in regard to the discharge thereof from any authority external to the Fund, Each Member of the Fund shall respect the international character of this duty and shall refrain from any attempt to influence them in the discharge of their duties.

2) The allocation of votes shall be in accordance with the basic principles approved by the Governing Council in the Report of the Special Committee and, in particular, paragraph 5 thereof. The Governing Council, at each replenishment, will adopt a resolution dealing with the replenishment and the distribution of votes among Members in the Governing Council and the Executive Board for each replenishment period from the Fourth Replenishment onwards. The resolution on the Fourth Replenishment will contain details of the votes distributed to Members up to the end of the Third Replenishment period.

- (g) The President and the staff shall not interfere in the political affairs of any Member. Only development policy considerations shall be relevant to their decisions and these considerations shall be weighed impartially in order to achieve the objective for which the Fund was established.
- (h) The President shall be the legal representative of the Fund.
- (i) The President, or a representative designated by him, may participate, without the right to vote, in all meetings of the Governing Council.

Section 9 - Seat of the Fund

The Governing Council shall determine the permanent seat of the Fund by a two-thirds majority of the total number of votes. The provisional seat of the Fund shall be in Rome.

Section 10 - Administrative budget

The President shall prepare an annual administrative budget which he shall submit to the Executive Board for transmission to the Governing Council for approval by a two-thirds majority of the total number of votes.

Section 11 - Publication of reports and provision of information

The Fund shall publish an annual report containing an audited statement of its accounts and, at appropriate intervals, a summary statement of its financial position and of the results of its operations. Copies of such reports, statements and other publications connected therewith shall be distributed to all Members.

Article 7. Operations

Section 1 - Use of resources and conditions of financing

- (a) The resources of the Fund shall be used to achieve the objective specified in Article 2.
- (b) Financing by the Fund shall be provided only to developing States that are Members of the Fund or to intergovernmental organizations in which such Members participate. In the case of a loan to an intergovernmental organization, the Fund may require suitable governmental or other guarantees.
- (c) The Fund shall make arrangements to ensure that the proceeds of any financing are used only for the purposes for which the financing was provided, with due attention to considerations of economy, efficiency and social equity.
- (d) In allocating its resources the Fund shall be guided by the following priorities:
 - (i) the need to increase food production and to improve the nutritional level of the poorest populations in the poorest food deficit countries;
 - (ii) the potential for increasing food production in other developing countries. Likewise, emphasis shall be placed on improving the nutritional level of the poorest populations in these countries and the conditions of their lives.

Within the framework of the above-mentioned priorities, eligibility for assistance shall be on the basis of objective economic and social criteria with special emphasis on the needs of the low income countries and their potential for increasing food production, as well as due regard to a fair geographic distribution in the use of such resources.
- (e) Subject to the provisions of this Agreement, financing by the Fund shall be governed by broad policies, criteria and regulations laid down, from time to time, by the Governing Council by a two-thirds majority of the total number of votes.

Section 2 - Forms and terms of financing

- (a) Financing by the Fund shall take the form of loans, grants and a debt sustainability mechanism, which shall be provided on such terms as the Fund deems appropriate, having regard to the economic situation and prospects of the Member and to the nature and requirements of the activity concerned. The Fund may also provide additional financing for the design and implementation of projects and programmes, financed by the Fund through loans,

- grants and a debt sustainability mechanism, as the Executive Board shall decide.
- (b) The proportion of the Fund's resources to be committed in any financial year for financing operations in any of the forms referred to in subsection (a) shall be decided from time to time by the Executive Board with due regard to the long-term viability of the Fund and the need for continuity in its operations. The proportion of grants shall not normally exceed one-eighth of the resources committed in any financial year. A debt sustainability mechanism and the procedures and modalities therefor shall be established by the Executive Board and financing provided thereunder shall not fall within the abovementioned grant ceiling. A large proportion of the loans shall be provided on highly concessional terms.
 - (c) The President shall submit projects and programmes to the Executive Board for consideration and approval.
 - (d) Decisions with regard to the selection and approval of projects and programmes shall be made by the Executive Board. Such decisions shall be made on the basis of the broad policies, criteria and regulations established by the Governing Council.
 - (e) For the appraisal of projects and programmes presented to it for financing, the Fund shall, as a general rule, use the services of international institutions and may, where appropriate, use the services of other competent agencies specialized in this field. Such institutions and agencies shall be selected by the Executive Board after consultation with the recipient concerned and shall be directly responsible to the Fund in performing the appraisal.
 - (f) The loan agreement shall be concluded in each case by the Fund and the recipient, which shall be responsible for the execution of the project or programme concerned.
 - (g) Except as the Executive Board shall otherwise decide, the Fund shall entrust the administration of loans, for the purposes of the disbursement of the proceeds of the loan and the supervision of the implementation of the project or programme concerned, to competent national, regional, international or other institutions or entities. Such institutions or entities shall be of a world-wide, regional or national character and shall be selected in each case with the approval of the recipient. Before submitting the loan to the Executive Board for approval, the Fund shall assure itself that the institution or entities to be entrusted with the supervision agrees with the results of the appraisal of the project or programme concerned. This shall be arranged between the Fund and the institution or agency in charge of the appraisal as well as with the institution or entities to be entrusted with the supervision.
 - (h) For the purposes of subsections (f) and (g) above, references to "loans" shall be deemed to include "grants".
 - (i) The Fund may extend a line of credit to a national development agency to provide and administer subloans for the financing of projects and programmes within the terms of the loan agreement and the frames work agreed to by the Fund. Before the Executive Board approves the extension of such a line of credit, the national development agency concerned and its programme shall be appraised in accordance with the provisions of subsection (e). Implementation of the said programme shall be subject to supervision by the institutions selected in accordance with the provisions of subsection (g).
 - (j) The Executive Board shall adopt suitable regulations for procuring goods and services to be financed from the resources of the Fund. Such regulations shall, as a general rule, conform to the principles of international competitive bidding and shall give appropriate preference to experts, technicians and supplies from developing countries.

Section 3 - Miscellaneous operations

In addition to the operations specified elsewhere in this Agreement, the Fund may undertake such ancillary activities and exercise such powers incidental to its operations as shall be necessary in furtherance of its objective.

Article 8. Relations with the United Nations and with other organizations, institutions and agencies

Section 1 - Relations with the United Nations

The Fund shall enter into negotiations with the United Nations with a view to concluding an agreement to bring it into relationship with the United Nations as one of the specialized agencies referred to in Article 57 of the Charter of the United Nations. Any agreements concluded in accordance with Article 63 of the Charter shall require the approval of the Governing Council, by a two-thirds majority of the

total number of votes, upon the recommendation of the Executive Board.

Section 2 - Relations with other organizations, institutions and agencies

The Fund shall co-operate closely with the Food and Agriculture Organization of the United Nations and other organizations of the United Nations system. It shall also co-operate closely with other intergovernmental organizations, international financial institutions, non-governmental organizations and governmental agencies concerned with agricultural development. To this end, the Fund will seek the collaboration in its activities of the Food and Agriculture Organization of the United Nations and the other bodies referred to above, and may enter into agreements or establish working arrangements with such bodies, as may be decided by the Executive Board.

Article 9. Withdrawal, suspension of membership, termination of operations

Section 1 - Withdrawal

- (a) Except as provided in Section 4 (a) of this Article, a Member may withdraw from the Fund by depositing an instrument of denunciation of this Agreement with the Depositary.
- (b) Withdrawal of a Member shall take effect on the date specified in its instrument of denunciation, but in no event less than six months after deposit of such instrument.

Section 2 - Suspension of membership

- (a) If a Member fails to fulfil any of its obligations to the Fund, the Governing Council may, by a three-fourths majority of the total number of votes, suspend its membership. The Member so suspended shall automatically cease to be a Member one year from the date of its suspension, unless the Council decides by the same majority of the total number of votes to restore the Member to good standing.
- (b) While under suspension, a Member shall not be entitled to exercise any rights under this Agreement except the right of withdrawal, but shall remain subject to all of its obligations.

Section 3 - Rights and duties of States ceasing to be Members

Whenever a State ceases to be a Member, whether by withdrawal or through the operation of Section 2 of this Article, it shall have no rights under this Agreement except as provided in this Section or in Section 2 of Article 11, but it shall remain liable for all financial obligations undertaken by it to the Fund, whether as Member, borrower or otherwise.

Section 4 - Termination of operations and distribution of assets

- (a) The Governing Council may terminate the Fund's operations by a three-fourths majority of the total number of votes. After such termination of operations the Fund shall forthwith cease all activities, except those incidental to the orderly realization and conservation of its assets and the settlement of its obligations. Until final settlement of such obligations and the distribution of such assets, the Fund shall remain in existence and all rights and obligations of the Fund and its Members under this Agreement shall continue unimpaired, except that no Member may be suspended or may withdraw.
- (b) No distribution of assets shall be made to Members until all liabilities to creditors have been discharged or provided for. The Fund shall distribute its assets to contributing Members *pro rata* to the contributions that each Member has made to the resources of the Fund. Such distribution shall be decided by the Governing Council by a threefourths majority of the total number of votes and shall be effected at such times, and in such currencies or other assets as the Governing Council shall deem fair and equitable.

Article 10. Legal status, privileges and immunities

Section 1 - Legal status

The Fund shall possess international legal personality.

Section 2 - Privileges and immunities

- (a) The Fund shall enjoy in the territory of each of its Members such privileges and immunities as are necessary for the exercise of its functions and for the fulfilment of its objective. Representatives of Members, the President and the staff of the Fund shall enjoy such privileges and immunities as are necessary for the independent exercise of their functions in connexion with the Fund.
- (b) The privileges and immunities referred to in paragraph (a) shall:
 - (i) in the territory of any Member that has acceded to the Convention on the Privileges and Immunities of the Specialized Agencies in respect of the Fund, be as defined in the standard clauses of that Convention as modified by an annex thereto approved by the Governing Council;
 - (ii) in the territory of any Member that has acceded to the Convention on the Privileges and Immunities of the Specialized Agencies only in respect of agencies other than the Fund, be as defined in the standard clauses of that Convention, except if such Member notifies the Depository that such clauses shall not apply to the Fund or shall apply subject to such modifications as may be specified in the notification;
 - (iii) be as defined in other agreements entered into by the Fund.
- (c) In respect of a Member that is a grouping of States, it shall ensure that the privileges and immunities referred to in this Article are applied in the territories of all members of the grouping.

Article 11. Interpretation and arbitration

Section 1 - Interpretation

- (a) Any question of interpretation or application of the provisions of this Agreement arising between any Member and the Fund or between Members of the Fund, shall be submitted to the Executive Board for decision. If the question particularly affects any Member of the Fund not represented on the Executive Board, that Member shall be entitled to be represented in accordance with regulations to be adopted by the Governing Council.
- (b) Where the Executive Board has given a decision pursuant to subsection (a), any Member may require that the question be referred to the Governing Council, whose decision shall be final. Pending the decision of the Governing Council, the Fund may, so far as it deems necessary, act on the basis of the decision of the Executive Board.

Section 2 - Arbitration

In the case of a dispute between the Fund and a State that has ceased to be a Member, or between the Fund and any Member upon the termination of the operations of the Fund, such dispute shall be submitted to arbitration by a tribunal of three arbitrators. One of the arbitrators shall be appointed by the Fund, another by the Member or former Member concerned and the two parties shall appoint the third arbitrator, who shall be the Chairman. If within 45 days of receipt of the request for arbitration either party has not appointed an arbitrator, or if within 30 days of the appointment of two arbitrators the third arbitrator has not been appointed, either party may request the President of the International Court of Justice, or such other authority as may have been prescribed by regulations adopted by the Governing Council, to appoint an arbitrator. The procedure of the arbitration shall be fixed by the arbitrators, but the Chairman shall have full power to settle all questions of procedure in any case of disagreement with respect thereto. A majority vote of the arbitrators shall be sufficient to reach a decision, which shall be final and binding upon the parties.

Article 12. Amendments

- (a) Except in respect of Schedule II:
 - (i) Any proposal to amend this Agreement made by a Member or by the Executive Board shall be communicated to the President who shall notify all Members. The President shall refer proposals to amend this Agreement made by a Member to the Executive Board, which shall submit its recommendations thereon to the Governing Council.
 - (ii) Amendments shall be adopted by the Governing Council by a four-fifths majority of the total

number of votes. Amendments shall enter into force three months after their adoption unless otherwise specified by the Governing Council, except that any amendment modifying:

- A) the right to withdraw from the Fund;
 - B) the voting majority requirements provided for in this Agreement;
 - C) the limitation on liability provided for in Section 3 of Article 3;
 - D) the procedure for amending this Agreement;
- shall not come into force until written acceptance of such amendment by all Members is received by the President.

(b) In respect of the several parts of Schedule II, amendments shall be proposed and adopted as provided in such parts.

(c) The President shall immediately notify all Members and the Depositary of any amendments that are adopted and of the date of entry into force of any such amendments.

Article 13. Final clauses

Section 1 - Signature, ratification, acceptance, approval and accession

- (a) This Agreement may be initialled on behalf of the States listed in Schedule I to this Agreement at the United Nations Conference on the Establishment of the Fund and shall be open for signature at the Headquarters of the United Nations in New York by the States listed in that Schedule as soon as the initial contributions indicated therein to be made in freely convertible currencies amount to at least the equivalent of 1,000 million United States dollars (valued as of 10 June 1976). If the foregoing requirement has not been fulfilled by 30 September 1976 the Preparatory Commission established by that Conference shall convene by 31 January 1977 a meeting of the States listed in Schedule I, which may by a two-thirds majority of each category reduce the above specified amount and may also establish other conditions for the opening of this Agreement for signature,
- (b) Signatory States may become parties by depositing an instrument of ratification, acceptance or approval; non-signatory States listed in Schedule I may become parties by depositing an instrument of accession. Instruments of ratification, acceptance, approval and accession by States in category I or II shall specify the amount of the initial contribution the State undertakes to make. Signatures may be affixed and instruments of ratification, acceptance, approval or accession deposited by such States until one year after the entry into force of this Agreement.
- (c) States listed in Schedule I that have not become parties to this Agreement within one year after its entry into force and States that are not so listed, may, after approval of their membership by the Governing Council, become parties by depositing an instrument of accession.

Section 2 - Depositary³⁾

- (a) The Secretary-General of the United Nations shall be the Depositary of this Agreement.
- (b) The Depositary shall send notifications concerning this Agreement:
 - (i) until one year after its entry into force, to the States listed in Schedule I to this Agreement, and after such entry into force to all States parties to this Agreement as well as to those approved for membership by the Governing Council;
 - (ii) to the Preparatory Commission established by the United Nations Conference on the Establishment of the Fund, as long as it remains in existence, and thereafter to the President.

Section 3 - Entry into force

- (a) This Agreement shall enter into force upon receipt by the Depositary of instruments of ratification, acceptance, approval or accession from at least 6 States in category I, 6 States in category II and 24 States in category III, provided that such instruments have been deposited by States in categories I and II the aggregate of whose initial contributions specified in such

3) [Red: Dit woord ontbreekt in het gewaarmerkt afschrift van de Engelse tekst.]

instruments amounts to at least the equivalent of 750 million United States dollars (valued as of 10 June 1976), and further provided that the foregoing requirements have been fulfilled within 18 months of the date on which this Agreement is opened for signature or by such later date as the States that have deposited such instruments by the end of that period may decide, by a two-thirds majority of each category, and as they notify to the Depositary.

- (b) For States that deposit an instrument of ratification, acceptance, approval or accession subsequent to the entry into force of this Agreement, it shall enter into force on the date of such deposit.
- (c) The obligations accepted by original and non-original Members under this Agreement prior to 26 January 1995 shall remain unimpaired and shall be the continuing obligations of each Member to the Fund.
- (d) References throughout this Agreement to categories or to categories I, II and III shall be deemed to refer to the categories of Members prevailing prior to 26 January 1995, as set out in Schedule III hereto, which forms an integral part of this Agreement.

Section 4 - Reservations

Reservations may only be made to Section 2 of Article 11 of this Agreement.

Section 5 - Authoritative texts

The versions of this Agreement in the Arabic, English, French and Spanish languages shall each be equally authoritative.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto, have signed this Agreement in a single original in the Arabic, English, French and Spanish languages.

Schedule I

Part I States eligible for original membership

CATEGORY I	CATEGORY II	CATEGORY III
Australia	Algeria	Argentina
Austria	Gabon	Bangladesh
Belgium	Indonesia	Bolivia
Canada	Iran	Botswana
Denmark	Iraq	Brazil
Finland	Kuwait	Cape Verde
France	Libyan Arab Jamahiriya	Chad
	Nigeria	Chile
Germany	Qatar	Colombia
Ireland	Saudi Arabia	Congo
Italy	United Arab Emirates	Costa Rica

Luxembourg

Venezuela

Cuba

Japan

Dominican Republic

Netherlands

Ecuador

New Zealand

Egypt

Norway

El Salvador

Spain

Ethiopia

Sweden

Ghana

Switzerland

Greece

United Kingdom of Great Britain and
Northern Ireland

Guatemala

United States of America

Guinea

Haiti

Honduras

India

Israel^(a)

Jamaica

Kenya

Liberia

Mali

Malta

Mexico

Morocco

Nicaragua

Pakistan

Panama

Papua New Guinea
Peru
Philippines
Portugal
Republic of Korea
Romania
Rwanda
Senegal
Sierra Leone
Somalia
Sri Lanka
Sudan
Swaziland
Syrian Arab Republic
Thailand
Tunisia
Turkey
Uganda
United Republic of Tanzania
Uruguay
Yugoslavia
Zaire
Zambia

a) With reference to Article 7, Section 1 (b) on the use of resources of the Fund for “developing

countries”, this country will not be included under this Section and will not seek or receive financing from the Fund.

<i>Part II Pledge of initial contributions⁴</i>)STATE	CURRENCY UNIT	AMOUNT IN CURRENCY	EQUIVALENT IN SdRs ^{a)}
	Category I		
	Australia	Australian dollar	
	Austria	US dollar	
Belgium	Belgian franc	500 000 000 ^{b)}	11 930 855
	US dollar	1 000 000	
	Canada	Canadian dollar	
	Denmark	US dollar	
	Finland	Finnish markka	
France	US dollar	25 000 000	21 863 875
Germany	US dollar	55 000 000 ^{b)c)}	48 100-525
Ireland	Pound sterling	570 000 ^{b)}	883 335
Italy	US dollar	25 000 000 ^{b)}	21 863 875
Japan	US dollar	55 000 000 ^{b)}	48 100 525
Luxembourg	Special drawing rights	320 000 ^{b)}	320 000
Netherlands	Dutch guilder	100 000 000	34 594 265
	US dollar	3 000 000	
New Zealand	New Zealand dollar	2 000 000 ^{a)}	1 721 998
Norway	Norwegian kroner	75 000 000 ^{b)}	20 612 228
	US dollar	9 981 851 ^{b)}	
Spain	US dollar	2 000 000 ^{d)}	1 749 110
Sweden	Swedish kroner	100 000 000	22 325 265

4) Subject to obtaining, where required, the necessary legislative approval.

	US dollar	3 000 000	
Switzerland	Swiss franc	22 000 000 ^{b)}	7 720 790
United Kingdom	Pound sterling	18 000 000	27 894 780
United States	US dollar	200 000 000	174 911 000
		Subtotal	496 149 059
Category II			
Algeria	US dollar	10 000 000	8 745 550
Gabon	US dollar	500 000	437 278
Indonesia	US dollar	1 250 000	1 039 194
Iran	US dollar	124 750 000	109 100 736
Iraq	US dollar	20 000 000	17 491 100
Kuwait	US dollar	36 000 000	31 483 980
Libyan Arab Jamahirariya	US dollar	20 000 000	17 491 100
Nigeria	US dollar	26 000 000	22 738 430
Qatar	US dollar	9 000 000	7 870 995
Saudi Arabia	US dollar	105 500 000	92 265 553
United Arab			
Emirates	US dollar	16 500 000	14 430 158
Venezuela	US dollar	66 000 000	57 720 630
		Subtotal	380 868 704

a) Special drawing rights (SDRs) of the International Monetary Fund valued as of 10 June 1976. These equivalent values are stated merely for information in the light of section 2 (a) of article 5 of the Agreement, with the understanding that the initial contributions pledged will be payable in accordance with section 2 (a) of article 4 of the Agreement in the amount and currency specified by the State concerned.

b) Payable in three instalments.

c) This amount includes an additional pledge of US\$3 million, which was made subject to the necessary budgetary arrangements in the fiscal year 1977.

d) Payable in two instalments.STATE	CURRENCY UNIT	AMOUNT IN CURRENCY	EQUIVALENT IN SDRs ^{a)}	
			FREELY CONVERTIBLE	NOT FREELY CONVERTIBLE
Category III				
Argentina	Argentine peso	240 000 000 ^{e)}		1 499 237
Bangladesh	Taka (equivalent of US dollar)	500 000		437 278
Cameroon	US dollar	10 000	8 746	
Chile	US dollar	50 000	43 728	
Ecuador	US dollar	25 000	21 864	
Egypt	Egyptian pound (equivalent of US dollar)	300 000		262 367
Ghana	US dollar	100 000	87 456	
Guinea	Sily	25 000 000 ^{b)}		1 012 145
Honduras	US dollar	25 000	21 864	
India	US dollar	2 500 000	2 186 388	
	Indian rupee (equivalent of US dollar)	2 500 000		2 186 388
Israel	Israel pound (equivalent of US dollar)	150 000 ^{b)f)}		131 183
Kenya	Kenya shilling (equivalent of US dollar)	1 000 000		874 555
Mexico	US dollar	5 000 000	4 372 775	
Nicaragua	Cordobas	200 000		24 894
Pakistan	US dollar	500 000	437 278	
	Pakistan rupee	500 000		437 278

		(equivalent of US dollar)		
Philippines	US dollar ^{a)}	250 000 ^{a)}	43 728	174 911
Republic of Korea	US dollar	100 000	87 456	
	Won (equivalent of US dollar)	100 000		87 456
Romania	Lei (equivalent of US dollar)	1.000.000		874 555
Sierra Leone	Leone	20 000		15 497
Sri Lanka	US dollar	500 000	437 278	
	Sri Lanka rupee (equivalent of US dollar)	500 000		437 278
Syrian Arab Republic	Syrian pound	500 000		111 409
Thailand	US dollar	100 000	87 456	
Tunisia	Tunisian dinar	50 000		100 621
Turkey	Turkish lira (equivalent of US dollar)	100 000		87 456
Uganda	Uganda shilling	200 000		20 832
United Republic of Tanzania	Tanzania shilling	300 000		31 056
Yugoslavia	Yugoslav dinar (equivalent of US dollar)	300 000		262 367
		Subtotal	7 836 017	9 068 763
Total freely convertible				884 853 780 ^{b)}
Grand total (freely and not freely convertible)				893 922 543

- a) Special drawing rights (SDRs) of the International Monetary Fund valued as of 10 June 1976. These equivalent values are stated merely for information in the light of section 2 (a) of article 5 of the Agreement, with the understanding that the initial contributions pledged will be payable in accordance with section 2 (a) of article 4 of the Agreement in the amount and currency specified by the State concerned.
- b) Payable in three instalments.
- e) To be spent within the territory of Argentina for goods or services required by the Fund.
- f) Usable for technical assistance.
- g) US\$ 200 000 of this pledge was stated to be subject to confirmation, including the terms of payment and the type of currency. This amount has consequently been entered in the “not freely convertible” column.
- h) Equivalent of \$US 1 011 776 023 valued as of 10 June 1976.

Schedule II. Distribution of votes and election of Executive Board members

1. The Governing Council, in accordance with the procedures specified in paragraph 20 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 mobilisation of resources for the Fund; (ii) the equitable geographic distribution of the said seats; and (iii) the role of developing Member Countries in 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 same 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 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.

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. The Members of List A 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 Member Countries of List A may decide to appoint less than the total number of alternate members allocated to that List. 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 A from time to time.

7. The Members of List A 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.
8. **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 7). 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

9. 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.
10. 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.
11. 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.
12. **Amendments.** The provisions of Part II of this Schedule (paragraphs 9 to 11) 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

13. All the members and alternate members of the Executive Board from List C of Member Countries shall serve for a term of three years.
14. The Members of List C shall form themselves into constituencies, the number of which shall not exceed the number of seats allocated to the List, with each constituency represented by one or more members and the same number of alternate members 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 C from time to time.
15. The Members of List C 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 the President of the Fund.
16. **Amendments.** Part III of this Schedule (paragraphs 13 to 15) 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 Lists A, B and C

17. 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.
18. Notwithstanding anything to the contrary in paragraphs 5 to 16 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.
19. 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 vote 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.

20. **Amendments to Paragraphs 1 to 4, 8, 12 and 16 to 20.** The procedures set forth in paragraphs 1 to 4, 8, 12 and 16 to 20 inclusive herein may be amended from time to time by two-thirds majority of the total votes of the Governing Council. Unless otherwise decided, any amendment of paragraphs 1 to 4, 8, 12 and 16 to 20 inclusive shall take effect immediately upon adoption thereof.

SCHEDULE III. Distribution of Member States among Categories as at 26 January 1995

Category I

Australia
Austria
Belgium
Canada
Denmark
Finland
France
Germany
Greece
Ireland
Italy
Japan
Luxembourg
Netherlands
New Zealand
Norway
Portugal
Spain
Sweden
Switzerland
United Kingdom
United States

Category II

Algeria
Gabon
Indonesia
Iraq
Kuwait
Libyan Arab Jamahiriya
Nigeria
Qatar
Saudi Arabia
United Arab Emirates
Venezuela

Category III

Afghanistan
Albania
Angola
Antigua and Barbuda
Argentina
Armenia
Azerbaijan
Bangladesh

Barbados
Belize
Benin
Bhutan
Bolivia
Bosnia and Herzegovina
Botswana
Brazil
Burkina Faso
Burundi
Cambodia
Cameroon
Cape Verde
Central African Republic
Chad
Chile
China
Colombia
Comoros
Congo
Cook Islands
Costa Rica
Côte d'Ivoire
Croatia^{5)}
Cuba
Cyprus
D.P.R. Korea
Djibouti
Dominica
Dominican Republic
Ecuador
El Salvador
Equatorial Guinea
Eritrea
Ethiopia
Fiji
Gambia, The
Georgia^{6)}
Ghana
Grenada
Guatemala
Guinea
Guinea-Bissau
Guyana
Haiti
Honduras
India
Israel
Jamaica
Jordan
Kenya
Kyrgyzstan
Laos
Lebanon

5) The application of the Republic of Croatia for membership in IFAD as a member of Category III was approved by the Governing Council at its Seventeenth Session in January 1994. However, Croatia has not yet deposited its instrument of accession to the Agreement.

6) The application of the Republic of Georgia for membership in IFAD as a member of Category III was approved by the Governing Council at its Eighteenth Session in January 1995. However, Georgia had not yet deposited its instrument of accession to the Agreement.

Lesotho
Liberia
Madagascar
Malawi
Malaysia
Maldives
Mali
Malta
Mauritania
Mauritius
Mexico
Mongolia
Morocco
Mozambique
Myanmar
Namibia
Nepal
Nicaragua
Niger
Oman
Pakistan
Panama
Papua New Guinea
Paraguay
Peru
Philippines
Republic of Korea
Romania
Rwanda
Saint Christopher and Nevis
Saint Lucia
Saint Vincent and the Grenadines
Sao Tome and Principe
Senegal
Seychelles
Sierra Leone
Solomon Islands
Somalia
Sri Lanka
Sudan
Suriname
Swaziland
Syria
Tajikistan
Tanzania, United Republic of
Thailand
The Former Yugoslav Republic of Macedonia
Togo
Tonga
Trinidad and Tobago
Tunisia
Turkey
Uganda
Uruguay
Viet Nam
Western Samoa
Yemen
Yugoslavia
Zaire
Zambia

Zimbabwe