



منظمة الأغذية
والزراعة
للأمم المتحدة

联合国
粮食及
农业组织

Food
and
Agriculture
Organization
of
the
United
Nations

Organisation
des
Nations
Unies
pour
l'alimentation
et
l'agriculture

Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

CONFERENCE

Thirty-fourth Session

Rome, 17-24 November 2007

FIFTH REPORT OF THE GENERAL COMMITTEE

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A. Appointment of the Independent Chairperson of the Council

1. The General Committee recommends that the Conference adopt the following resolution:

THE CONFERENCE,

Having proceeded to a secret ballot, in accordance with the provisions of Rule XII, 10 (a) of the General Rules of the Organization:

1. **Declares** that is appointed Independent Chairperson of the Council for a period of two years;
2. **Decides** that the conditions of appointment, including the allowances attached to the office of the Independent Chairperson of the Council, shall be as follows:
 - a. An annual allowance of the equivalent of US\$ 22,000 to cover the representation expenses and secretarial assistance in the Chairperson's home station, on the understanding that the Director-General will provide secretarial assistance when the Chairperson attends sessions of the Conference, Council, Programme Committee or Finance Committee; one-half of the allowance shall be payable in US dollars, the balance being payable, in whole or in part, in the currency of the home station of the Chairperson, or in Euros, as decided by the Chairperson;
 - b. A per diem allowance at a rate equivalent to that for the Deputy Director-General, while the Chairperson is absent from his home station on Council business;
 - c. Travel expenses, including the above per diem allowance, shall be defrayed by the Organization, in conformity with its regulations and existing practice, when the Chairperson attends sessions of the Council, of the Programme and Finance Committees, of the Conference, or when he is invited by the Council or by the Director-General to travel for other purposes.
3. **Decides**, mindful of the fact that the amount of the annual allowance of the Independent Chairperson of the Council had not been adjusted since 1993, that in the future the amount of the annual allowance be determined on the basis of a study by the Finance Committee.

Adopted on ... November 2007

B. Measures to Improve the Organization's Cash Shortage Situation¹

2. At its 133rd session the Council noted that discussions were ongoing among concerned Members on two draft resolutions for the Conference on Measures to Improve the Organization's Cash Shortage Situation, but additional time was required in order to arrive at a consensus. The Council recommended that discussions should continue with a view to reaching agreement on the issue during the forthcoming session of the Conference. As a result of negotiations during the Conference session, the concerned Members submitted two draft resolutions (Annexes A and B) for adoption by the Conference. The Committee recommends that the two draft resolutions be submitted to a Plenary meeting of the Conference under item 25 *Any Other Matters*.

¹ C 2007/LIM/7, *Measures to Improve the Organization's Cash Shortage Situation*

C. Equitable Geographical and Gender Distribution in the Professional Staff Structure

3. The Committee recommended that the issue of equitable geographical and gender distribution in the professional staff structure be discussed under Agenda item 25 *Any Other Matters* at a Plenary meeting of the Conference.

ANNEX A

Measures to Encourage Timely Payment of Contributions**THE CONFERENCE**

Noting that the Regular Programme liquidity situation of the Organization is critical and can only be improved through timely payment of assessed contributions by all Member Nations;

Recognizing that a comprehensive package of measures is required in order to encourage the payment in full and on time by all Member Nations of their assessed contributions;

Recalling that accumulation of non-payment could impact upon Member Nations' voting rights and seats in the Council, while the Conference may, nevertheless, permit such Member Nations to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member Nations concerned;

1. **Urges** all Member Nations to make all necessary efforts to pay promptly all their assessed contributions to the Organization both for the ongoing year and the past years if applicable, or to submit an instalment plan to accommodate their payment in the latter case where appropriate;
2. **Requests** the Council to submit to its consideration at its next Regular Session a comprehensive package of incentive and other measures aimed at ensuring payment in full and on time by all Member Nations of their assessed contributions;
3. **Decides** to keep the matter under review.

Adopted on .. November 2007

ANNEX B

*Measures to Encourage Timely Payment of Contributions***THE CONFERENCE,**

Noting that the Regular Programme liquidity situation of the Organization is critical and can only be improved through timely payment of assessed contributions by the Member Nations;

Recognizing that additional measures are required in order to encourage timely payment from Member Nations of assessed contributions;

1. **Decides**, in order to facilitate the payment of contributions by those Member Nations with limited availability of convertible currency, to approve a derogation from Financial Regulation 5.6 to allow the Director-General to accept contributions in non-freely convertible local currencies under the following conditions:

- the Organization requires to have activities in the country for which the currency can be spent;
- the currency is usable without further negotiation within the exchange regulations of the country;
- local currency contributions can only be accepted in such amounts as can be utilized during a short period of time, with a view to ensuring that the currency is received and spent at the same UN operational exchange rate;
- credit shall be granted against assessed contributions at the UN operational rates of exchange in force on the date the local currency is received in a bank account of the Organization;
- where the UN operational rate of exchange differs significantly from the market exchange, the rate of exchange to be applied for the purpose of crediting the contribution of the Member Nation is the rate that FAO will have obtained for the conversion into euro/dollars at the date on which the local currency is credited to the bank account of the Organization;
- local currency amounts will not be accepted for those countries whose currency is subject to persistent devaluation. If at any time during the period of utilization of the local currency funds, there shall occur a reduction in the exchange value or a significant devaluation of the local currency with respect to the euro/dollar, the Member Nation will be required upon notification to make an adjusting payment to cover the exchange loss pertaining to the unspent balance of that contribution;
- payments of arrears shall not be accepted in non-freely convertible currencies.

2. **Decides** that a Member Nation, whose currency is not freely convertible, wishing to avail itself of this payment method, shall submit a request to the Director-General and obtain approval prior to effecting any transfer of funds to the Organization. The Director-General shall decide on such a request based on whether it is in the best interests of the Organization and involves no risk of financial loss.

Adopted on ..November 2007