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Reference: C.N.1104.2002.TREATIES-1 (Depositary Notification)

AGREEMENT ESTABLISHING THE AFRICAN DEVELOPMENT BANK DONE
AT KHARTOUM ON 4 AUGUST 1963, AS AMENDED BY RESOLUTION 05-79
ADOPTED BY THE BOARD OF GOVERNORS ON 17 MAY 1979

LUSAKA, 7 MAY 1982

ENTRY INTO FORCE OF THE AMENDMENTS ADOPTED BY RESOLUTION NO. B/BG/97/05

The Secretary-General of the United Nations, acting in his capacity as depositary,
communicates the following:

The Board of Governors of the African Development Bank, at its second plenary sitting of the
Thirty-Third Annual Meeting, held in Abidjan on 29 May 1997, adopted on 29 May 1997 Resolution
No. B/BG/97/05 amending articles 29, 32, 33, 36 and 37 of the Agreement.

In a communication received on 8 October 2002, the African Development Bank informed the
Secretary-General that the above Amendments entered into force for all Members of the Bank on
2 May 1998, in accordance with article 60 (3) of the Agreement.

Attached herewith are the English and French texts of the said Resolution.

18 October 2002



Attention: Treaty Services of Ministries of Foreign Affairs and of international organizations concerned.
Depositary notifications are made available to the Permanent Missions to the United Nations at the
following e-mail address: missions@un.int. Note that annexes to the depositary notifications are
distributed in hard copy format only. The hard copy versions of the depositary notifications are
available for pick-up by the Permanent Missions in Room NL-300.

AFRICAN DEVELOPMENT BANK

BOARD OF GOVERNORS

Resolution B/BG/97/05

concerning measures to enhance Governance of the African Development Bank and amending the Agreement establishing the Bank

(adopted at the Second Plenary Sitting of the Thirty-Third Annual Meeting, on 29 May, 1997)

THE BOARD OF GOVERNORS

HAVING REGARD to Articles 1, 2, 4, 5, 29, 32, 33, 34, 35, 36, 37 and 60 of the Agreement (the "Agreement") Establishing the African Development Bank (the "Bank") and Annex B to the Agreement;

RECALLING its Resolution B/BG/94/08, adopted on 13 May 1994 at the Thirtieth Annual Meeting of the Bank, and Resolution B/BG/95/Extra/02, adopted on 26 May, 1995 at the Second Extraordinary General Meeting of the Bank, concerning the establishment of the Ad-Hoc Committee on the Fifth General Increase of the capital stock of the Bank (the "Ad-Hoc Committee");

RECALLING FURTHER that the Ad-Hoc Committee has been mandated by this Board to, inter alia, review progress made on the issue of governance of the Bank and explore measures to improve decision-making within the organs of the Bank and, for that purpose, to use, examine and consider reports and studies as may have been commissioned on the issue of governance and make appropriate recommendations thereon to this Board;

HAVING RECEIVED and carefully considered the relevant report and recommendations of the Ad-Hoc Committee (Document ADB/BG/WP/97/14/Rev.1), together with the accompanying report of the panel of eminent persons on governance commissioned by the Ad-Hoc Committee (the "Governance Report");

DESIROUS of establishing an appropriate framework for improving the governance structures of the Bank, with the aim of enhancing its operational efficacy, strengthening its financial standing and preserving the rights and interests of all member States of the Bank;

CONVINCED that the conclusions and recommendations of the Ad-Hoc Committee are well-founded and constitute sound basis for settling the Bank's governance-related issues;

EXPRESSES its profound gratitude to members of the panel of eminent persons on governance;

ACCEPTS the said recommendations of the Ad-Hoc Committee; and

RESOLVES AS FOLLOWS:

The Agreement, as amended, is hereby further amended as follows:

1. Article 29 (2)(d), concerning the powers of the Board of Governors, is hereby deleted and shall be replaced by the following:

"Elect the President of the Bank, suspend or remove him from office and determine his remuneration and conditions of service."

2. Article 32, defining the powers of the Board of Directors, is hereby amended by deleting paragraph (a) thereof in toto and renumbering the remaining paragraphs as (a), (b), (c), (d) and (e), respectively.
3. Article 33, concerning the composition of the Board of Directors, is amended as follows:

- (i) The first sentence of paragraph (3) thereof shall read:

"Directors shall be elected for a term of three years and, subject to the limitation set forth in paragraph (4) of this Article, may be re-elected.

- (ii) There is hereby added to Article 33 a new paragraph (4) in order to incorporate and reflect the terms of Resolution B/BG/95/03 concerning limitation of terms of office of Elected Officers, which shall read as follows:

"4. No director shall serve on the Board of Directors for more than two terms of three years each. A director whose term of office commences between two general elections shall be eligible to be elected director for a cumulative period not exceeding six years in total from the date of his first election; provided always that a director who at the time of his election shall have served two terms of three years each as an alternate director shall not be eligible for re-election."

4. The text of Article 36, concerning appointment, suspension and removal of the President from office, is hereby deleted and shall be replaced by the following:

"The Board of Governors shall elect by a majority of the total voting power of the members, including a majority of the total voting power of the regional members, the President of the Bank. He shall be a person of the highest competence in matters pertaining to the activities, management and administration of the Bank and shall be a national of a regional member state. While holding office, he shall not be a governor, a director or alternate for either. The term of office of the President shall be five years. It may be renewed; provided, however, that no person may be elected or serve as President for more than two successive terms of five years each. The President shall be suspended or removed from office if the Board of Governors so decides by a majority of the total voting power of the members, including a majority of the total voting power of the regional members. The Board of Governors shall, upon the suspension or removal of the President from office, appoint an Acting President or, as the case may be, elect a President."

- "2. The Chairman of the Board of Governors, after consultation with the Bureau, shall convene a meeting of the Board of Governors to consider the suspension of the President upon the written requests of at least five Governors representing not less than five constituencies."

5. Article 37 is hereby amended in the second sentence of paragraph (2) thereof in order to vest in the President of the Bank the power to appoint, fix the terms of employment, organize and release officers and staff of the Bank, including Vice-Presidents in accordance with applicable rules and regulations of the Bank and to delete the last sentence of that paragraph. Paragraph 2 of Article 37 shall therefore read as follows:

- "2. The President shall be chief of the staff of the Bank and shall conduct, under the direction of the Board of Directors, the current business of the Bank. He shall be responsible for the organization of the officers and staff of the Bank, including Vice-Presidents, whom he shall appoint, fix their terms of employment, and release in accordance with the rules and regulations
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adopted by the Bank, provided that he shall act in consultation with the Board of Directors in the exercise of his powers of appointment and release of Vice-Presidents."