

Report of the 41st (Virtual) Meeting of the
PERMANENT FINANCE COMMITTEE (PFC)
26 November 2020: 18:00-20:00 hours
ICID Central Office, New Delhi, India

Members present : (1) Vice President Hon. Laurie Tollefson, Chairman (Canada, 2014); (2) Vice President Dr. Marco Arcieri, Vice Chairman (Italy, 2017); (3) Vice President Mr. Naoki Hayashida (Japan, 2014); (4) Vice President Hon. Dr. Irene Bondarik (Russia, 2014); (5) Mr. Ali Reza Salamat (Iran, 2016); (6) Prof. Mohamed Benmoussa (Morocco, 2018); (7) Mr. Gao Lihui (China, 2019) and (8) Er. Ashwin B. Pandya, Secretary General, ICID.

Observers: (1) Dr Francesca Pierleoni (Italy); (2) Prof. (Dr.) El Houssine BARTALI (Morocco)

General Note: Conversion rate of US\$ versus INR (₹) (Indian Rupee) used in the budget and forecasts –

1. A conversion rate of US\$1 = ₹ 70 was assumed in the forecast for the FY 2019-20 on the basis of the exchange rate in the preceding 15 months commencing from April 2018 to June 2019. Subscriptions actually received were, of course, converted based on the prevalent rate. The difference in the budgeted subscription receipts and the actual subscription receipts due to change in the exchange rate are accounted for as part of 'Other Receipts'.

2. Based upon average exchange rate of US\$ for the last fifteen months from April 2019 to June 2020, an exchange rate of US\$ 1 = ₹ 72 has been assumed for the Revised Budget (proposed) for the FY 2020-2021, Budget for FY 2021-22 and Preliminary Budget for 2022-2023 and Forecast Budget for the FY 2023-2024.

PFC Minutes Item 1: Review of the Membership of the Committee

3. PFC noted that with the conclusion of term of office of six years for Vice President Mr. Naoki Hayashida (Japan), Vice President Hon. Dr. Irene Bondarik (Russia) and Vice President Hon. Engr. Husnain Ahmad (Pakistan) at the conclusion of the 71st IEC Meeting (Virtual), the membership of PFC will come down to 7, two shorts of the required minimum membership as mandated by ICID By-laws 3.9.3 (b).

4. PFC noted that two new nominations of Md. Mahmudur Rahman (Director), Joint Rivers Commission, Bangladesh, MoWR, Dhaka and Member-Secretary, (BANCID) and Mr. Bryan Ward (CEO), Irrigation Australia Pty Ltd., Australia and Chair of the Committee of Congress, (IACID) for the Membership of the Committee and recommend these nominations for approval of IEC, which were approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71. The Committee noted that Japan NC (JNC-ICID) will be sending nomination from their NC in place of retiring member from Japan. PFC requested National Committees to send nominations for PFC.

5. PFC noted that the term of the Chairman of PFC, Vice President Hon. Laurie Tollefson will be coming to end with the conclusion of 71st Executive Council virtual meeting (IEC) after completion of six years term. PFC elected VP Dr. Marco Arcieri, Vice Chair of the Committee as the new Chair of PFC.

PFC Minutes Item 2: Report of the Direct Membership Administering (DMA) Sub-Committee

6. DMA Sub-Committee has been reconstituted vide Notification No.7 of 2019 dated 22 November 2019 with the following composition. Consequent upon completion of the term of VPH Laurie Tollefson as Chair of PFC with the conclusion of 71st (virtual) IEC meeting, the new Chair of PFC VP Dr. Marco Arcieri will take over as the Chairman of the DMA Sub-Committee, as per the Guidelines for Administering Direct Membership approved by the Council vide its Resolution IEC-3/63.

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| (i) VPH Laurie Tollefson, Chair, PFC (Canada) | - Chairman |
| (ii) Mr. Delbert M. Smith, Member, PFC (USA) | - Member |
| (iii) Mr. Gao Lihui, Member, PFC (China) | - Member |
| (iv) VP Dr. Kamran Emami, Member, PCSO (Iran) | - Member |

7. Based on the report of DMA Sub-committee, the PFC recommends to IEC for acceptance of the following as Direct Member of ICID, which were approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71.

Sl. No.	Name of Applicant	Country	Type of Membership Applied for
1.	Prof. (Mr.) Arun Kumar	India	Individual (Life Membership)
2.	Mr. Ashok Karva	India	Individual (Life Membership)
3.	Dr. (Mr.) Ahmed E. Elshaikh	Sudan	Individual (Life Membership)
4.	Mr. Anton Urfels	Germany	Individual Young Professional (Three Years)

PFC Minutes Item 3: Review of the position of arrears of annual subscriptions from NCs and Membership status

8. PFC noted that the Kenyan National Committee on Irrigation and Drainage (KENCID) vide email dated 22nd September 2020 has expressed positively their desires to re-join the ICID membership from the next financial year (beginning July 2021).

9. PFC noted with regret that National Committee of Slovenia continue to be in membership subscription arrears of three years, besides the membership subscription for the year 2020. Despite several requests made to clear their balance of subscription attracting applicability of By-law 13.2 which will make them as "Associate Member" from 1st January 2021 if their dues are not cleared by 31st December 2020.

10. 6 NCs of Croatia, Fiji, Mali, Mexico, Romania, and Somalia have not cleared their membership dues for two years 2018 and 2019 in addition to subscription for the year 2020 attracting applicability of By-law 13.1 which debar them from holding office whether it be as Office Bearer or as a member of a work body until such time the arrears are paid.

11. In case of Tajikistan, the Committee noted that as per ICID Statutory Auditor's advice the US\$ 4,240 annual subscription of the NC of Tajikistan for the years 2015 and 2016 have been written off in financials for the year 2019-2020 in order to follow the ICAI accounting standard, accordingly there are no dues of the NC.

12. PFC recommends to IEC for approval as follows, which were approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71:

- (a) Considering difficulties faced by various members due to COVID-19 pandemic, PFC recommends to give one year grace period and defer applicability of By-law 13.1 to six (6) NCs of Croatia, Fiji, Mali, Mexico, Romania, and Somalia and applicability of 13.2 to NC of Slovenia by one year, i.e till 1 January 2022.
- (b) Kenyan National Committee on Irrigation and Drainage (KENCID) informed to become member from 1 July 2021, so PFC recommends to take subscription for six months for 2021.
- (c) In respect of Tajikistan NC, who paid subscription after 2016 but in arrears for 2015 and 2016, PFC recommends to approve writing off of arrears of annual subscription of the NC of Tajikistan for the years 2015 and 2016 amounting to US\$ 4,240 in financials for the year 2019-2020 in order to follow the ICAI accounting standard for the purpose of balance sheet but to continuously follow up with the NC of Tajikistan for realizing arrears.

PFC Minutes Item 4: Review of the financial status of recently held ICID events

PFC Minutes Item 4.1: 70th IEC & 3rd World Irrigation Forum, Indonesia, 2019, 04-07 September 2019

13. PFC thanked and appreciated Indonesian National Committee of ICID (INACID) for successfully organizing 3rd World Irrigation Forum and 70th IEC meetings at Bali, Indonesia from 01st - 07th September 2019. PFC noted that special contribution to ICID budget amounting to 35% share from the registration fee is still awaited from INACID and requested INACID to make payment alongwith necessary details at the earliest.

PFC Minutes Item 4.2: 9th International Micor Irrigation Conference, Aurangabad, Maharashtra, India, 16-18 January 2019

14. PFC thanked and appreciated Indian National Committee on Irrigation and Drainage (INCID) for successful organization of 9th International Micro Irrigation Conference, Aurangabad, Maharashtra, India held during 16-18 January 2019 and making a special contribution to ICID budget amounting to 5% share from the registration fee collected.

PFC Minutes Item 4.3: 8th Asian Regional Conference, Kathmandu, Nepal 02-04 May 2018

15. PFC thanked and appreciated Nepal National Committee of ICID (NENCID) for successful organization of 8th Asian Regional Conference (ARC) held in Kathmandu, Nepal from 02-04 May 2018 and making special contribution to ICID budget amounting to 5% share from the registration fee collected.

16. PFC recommends IEC for appreciation to INCID and NENCID for making special contribution to ICID budget amounting to 5% share from the registration fee collected.

PFC Minutes Item 5: Financial proposals for the forthcoming ICID events

17. PFC noted rescheduling of future events considering the present COVID-19 pandemic situation and reviewed the financial arrangements for the following events: (i) 5AfRC and 72nd IEC at Marrakesh, Morocco during 22-29 September 2021. (ii) 24th Congress and 73rd IEC, Adelaide, Australia during 8-14 March 2022, and (iii) 4th World Irrigation Forum (WIF4) and 74th IEC, Beijing, China during 16-22 April 2023. PFC also reviewed Registration fee structure for 72nd IEC and 5th ARC (as proposed by ANAFIDE), 73rd IEC and 24th Congress (as proposed by IACID) and 74th IEC and WIF34 (as proposed by CNCID). Indian NC (INCID) is yet to propose fee structure for 75th IEC and 25th Congress.

18. PFC recommends IEC for approval of registration fee structure of these events as reproduced below in a tabular format, which were approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71 (**See Annex R1.3**).

Venue / Year	Marrakech, Morocco, September, 2021		Adelaide, Australia, March 2022	Beijing, China, April 2023	
	72 nd IEC and 5 th ARC	5 th ARC Only	73 rd IEC and 24 th Congress	74 th IEC and WIF4	WIF4 only
Full Registration	550	400	\$ 800	\$ 800	\$ 700
Non-Member Fee	700	500	\$ 900	\$ 900	\$ 800
Young Professional (International)	300	200	\$ 400	\$ 400	\$ 350
Young Professional (Local)	300	150	--	--	\$ 350
Local Delegates	350	200	\$ 800	--	\$ 500
Retired Professionals (International)	300	200	\$ 400	\$ 400	\$ 350
Accompanying Persons	225	175	\$ 300	--	\$ 300
Daily Registration	--	150	--	--	\$ 200
Delegates from Low Income	400	350	--	--	--
Early Bird Registration discount is US\$ 50			Early Bird Registration discount is US\$ 50/25 (for YPs and retired professionals)		

PFC Minutes Item 6: To discuss the audited accounts of ICID for the year 2019-2020 and recommend to the IEC

19. The Committee considered the Audit Report of M/s P.K. Chopra & Co., Statutory Auditors for the financial year 2019-2020 presented in **Annex 1, page 13** of PFC agenda notes. The PFC having been satisfied with the report, recommended that the Audit Report for the FY 2019-2020 submitted by M/s P.K. Chopra & Co., be approved by IEC, which was approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71.

20. The Committee noted that the arrears of subscriptions during the current year represent the normal time lag in remittance of subscription by NCs.

PFC Minutes Item 7: Budget and Expenditure for the FY 2019-2020

21. The Committee noted that there has been an overall surplus of ₹ 6.19 million (US\$ 86,018) against a surplus of ₹ 20.27 million (US\$ 281,590) predicted in the revised budget for the year 2019-2020. Shortfall is mainly due to non-receipts of the special contribution from the Indonesian National Committee of ICID (INACID) for the share of registration fee from 70th IEC, Indonesia 2019 & 3rd World Irrigation Forum which was held in Bali, Indonesia from 01st - 07th September 2019.

22. The Committee also noted that during the financial year 2019-2020 a sum of ₹ 0.36 million (US\$ 5,000) was received on 05th March 2020 as a Special Subscription for technical support to YP Activities from Japan National Committee of International Commission on Irrigation and Drainage (JNC-ICID), Japan and a sum of ₹ 0.30 million (INR 3,00,000/-) was received on 05th September 2019 as a Special Subscription for WIF3 Promotion from M/s WAPCOS Limited, India. The Committee also noted that during the financial year 2020-21 a sum of Canadian Dollar (CAD) 25,000 equivalent to US\$ 18,180.90 has been received on 27th May 2020 from Canadian NC (CANCID) out of which US\$ 7,940 as the annual subscription of Canadian NC for the year 2020 and remaining US\$ 10,240.90 as special subscription for supporting ICID activities. The Committee also noted that Ministry of Water Resources, People's Republic of China ("The MWR") in respect of CNCID has provide to the Korean NC (KCID) a sum of ₹ 4.32 million (US\$ 60,000) during the FY 2020-21 to implement the following activities (i) support young professionals from least developed countries to participate in the 10th International Micro Irrigation Conference, (ii) support CNCID to organize a promotional conference on water management in China and WIF4 during the 71st IEC Meeting, (iii) Support IRPID Beijing Node to organize technical activities, and (iv) support to publish a book introducing and promoting World Heritage Irrigation Structures in China. The committee recommends that IEC may record their appreciation for the contributions made by JNC-ICID, CANCID and M/s WAPCOS and Ministry of Water Resources, People's Republic of China.

PFC Minutes Item 8: To consider revised budget proposal for the current FY 2020-2021; budget proposal for FY 2021-2022; preliminary budgets for FY 2022-2023 and forecast budget for FY 2023-2024

23. The committee was informed that Central Office is operating with 17 staff members including support staff. PFC noted that despite the new activities being undertaken and proposed to be undertaken during the next financial year, the work is being accomplished through the existing staff and partly by hiring the services of consultant on temporary basis as and when required.

24. The Committee considered the revised budget for the FY 2020-2021 and the budget proposal for the FY 2021-2022, preliminary budget for 2022-2023 and forecast budget for 2023-2024. The Committee noted that there is no deficit in proposed revised budget against approved budget 2020-2021. PFC appreciated the financial management of the Central Office for maintaining a healthy situation for future.

25. The PFC noted that Gratuity Fund and Leave Encashment Fund is being maintained to fulfil future liabilities and appreciated efforts made in this respect.

26. The committee reviewed the preliminary budget for FY 2022-2023 and forecast budget for 2023-2024 and recommended revised budget for FY 2020-2021 and the proposed budget for FY 2021-2022 (as presented in **Annex 2** of PFC agenda notes) to IEC for approval, which were approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71.

PFC Minutes Item 9: Surplus/Deficit and Cash Reserves

27. The Committee noted that the Cash Reserves as at the beginning of the FY 2020-2021 is INR 50.26 million (US \$ 698,074) considering sundry debtors, bank balance and investments. The reserves for the previous year of 2019-2020 were INR 42.11 Million (US\$ 647,854). The Committee appreciated the endeavours to improve the cash reserve vis-à-vis annual expenditure on an incremental basis.

PFC Minutes Item 10: Approval to cumulative Inflation Factor and impact of cumulative Inflation Factor on the Formulae for upcoming three years for the annual subscription rates.

28. The PFC noted that 68th Council meeting held on 14 October at Mexico City, Mexico approved the revision of the 1991 formulae for calculating annual subscription with the proposal that annual subscriptions rates shall be recalculated every three years during the meeting of IEC in a Congress year based on cumulative inflation rates for the three years. The approved revised formulae effective from 01st January 2018 is as given below:

$$S(2017) = \{1515 + \text{UNC} + 1900 A^{**0.35}\} \times \{\text{InF}\} \dots \quad \{\text{For NC WITH } A > 9.35 \text{ Mha}\}$$

$$S(2017) = \{1515 + \text{UNC} + 1360 A^{**0.5}\} \times \{\text{InF}\} \dots \quad \{\text{For NC WITH } A < 9.35 \text{ Mha}\}$$

Where

(i) S(2017)= is the subscription in US \$;

(ii) UNC, for countries paying UN contribution

< 0.30 per cent:	UNC = 0
>0.30 per cent but <0.60 per cent:	UNC = US \$ 725
>0.60 per cent but <1.50 per cent:	UNC = US \$ 1450
>1.50 per cent but <3.00 per cent:	UNC = US \$ 2175
> 3.00 per cent:	UNC = us \$ 2900

(iii) A is the Weighted Benefitted Area calculated as follows:

$$\text{Weighted Benefit area} = \text{IA} + (0.5) \times \text{DA} \dots \text{if } \text{IA} > \text{DA}$$

$$\text{Weighted Benefit area} = \text{DA} + (0.5) \times \text{IA} \dots \text{if } \text{DA} > \text{IA}$$

(Where IA is Irrigated Area and DA is Drainage Area)

(iv) In F is the cumulative Inflation Factor for three years as obtained from the IMF data

29. In view of above, annual subscription is to be revised from 2021 based on cumulative three years inflation factor (InF). Average inflation factors of the world based on IMF data for three years 2018, 2019 and 2020 are 3.6%, 3.5%, and 3.2% making total of 10.3% rounded to 10% for three years. PFC noted that annual subscription amount need to be increased on an average by 6.5% for each active national committee w.e.f. 01st January 2021 after taking the inflation factor into consideration in the subscription formulae. However, considering the COVID–19 pandemic situation and problems faced by different NCs, PFC recommends to IEC to approve postponing increase in annual membership subscription by 6.5% by one year say to 01 January 2022 as a special case, which was approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71 .

PFC Minutes Item 11: Report of the TF-ILMDM

30. As per IEC Resolution IEC-1/70 of the 70th International Executive Council (IEC) at its meeting held on 07 September 2019, a Task Force was set up vide Notification No.1 of 2020 dated 06 January 2020 to look into the matter of granting Institutional Life Membership for Institutions under Direct Membership (TF-ILMDM) under the chairmanship of VP Dr. Marco Arcieri, Vice Chair. Based on the deliberations during the meeting of the TF, TF-ILMDM prepared a Report with the following recommendations.

- (a) Present process of granting one- or three-years direct membership to Institutes may continue and there is no need of considering concept of Institutional Life membership.
- (b) International partners such IFI (WB, ADB, IsDB etc.) and UN Organizations (FAO, IFAD, WMO etc.) may be treated differently and keeping in view their contribution to ICID activities and long-term commitment, MOUs may be signed with these organization based on mutual concurrence on the scope of work, participation in ICID activities etc.

31. The report was circulated on 02 June 2020 amongst the PFC members for their comments and approval by 31 July 2020. Report as approved by PFC by circulation was later approved by MB at its 4th virtual meeting held on 07 August 2020. PFC recommends IEC to consider and approve recommendations of the TF as indicated above in para 28, which were approved by 71st IEC in its meeting held on 7 December 2020 (virtually) vide Resolution-1/71 (**See Annex R1.4**).

PFC Minutes Item 12: Miscellaneous Financial Issue

32. PFC noted that ICID is making efforts in respect of fresh FCRA registration as per FCRA Act.

33. PFC noted status in respect of ICID EPF Trust dissolution as per Income Tax.

