

Document: EB 2014/112/R.19
Agenda: 12(b)
Date: 6 August 2014
Distribution: Public
Original: English

E



Investing in rural people

Memorandum of understanding with the Cooperation Council for the Arab States of the Gulf

Note to Executive Board representatives

Focal points:

Technical questions:

Mohamed Beavogui
Director and Special Adviser to the President
Partnership and Resource Mobilization Office
Tel.: +39 06 5459 2240
e-mail: m.beavogui@ifad.org

Dispatch of documentation:

Deirdre McGrenra
Head, Governing Bodies Office
Tel.: +39 06 5459 2374
e-mail: gb_office@ifad.org

Executive Board — 112th Session
Rome, 17-18 September 2014

For: Approval

Recommendation for approval

The Executive Board is invited to approve the provisions of the memorandum of understanding entered into by the Cooperation Council for the Arab States of the Gulf and IFAD on 19 February 2014.

Memorandum of understanding with the Cooperation Council for the Arab States of the Gulf

1. On 19 February 2014, IFAD entered into a memorandum of understanding with the Cooperation Council for the Arab States of the Gulf (GCC) for the purpose of enhancing joint action in areas of mutual priority such as: agricultural and rural development; food production; environment and natural resource management; and research activities.
2. Information about the GCC is provided in annex I.
3. The memorandum of understanding includes articles on: (i) objectives; (ii) areas of cooperation; (iii) exchange of information/documents and joint actions; (iv) communication, consultation and cooperation; (v) settlement of disputes; (vi) amendment, implementation and termination.
4. This memorandum of understanding is intended to build on and supersede the cooperation agreement between the GCC (through the GCC Secretariat-General) and IFAD signed on 2 August 1989 to jointly pursue shared development goals on agricultural and rural development, nutrition and related research.
5. The Executive Board is invited to approve the memorandum of understanding between the GCC and IFAD, a copy of which is provided in annex II.

Cooperation Council for the Arab States of the Gulf

The GCC is a political, economic and social organization and a regional cooperation system among six Arab States of the Gulf: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.

Established on 4 February 1981, the GCC coordinates integration among its Member States and strengthens cooperation among its members. The GCC formulates common regulations in areas such as economic and financial affairs, commerce, customs, communication, education, culture, social affairs, health, information, tourism, and legislative and administrative affairs. It promotes scientific and technological progress in industry, mining, agriculture, and water and animal resources management. It also supports scientific research, undertakes joint ventures and encourages private-sector cooperation.

All GCC members except for Bahrain are founding members of IFAD and, together with other members of the Organization of the Petroleum Exporting Countries (OPEC), helped to establish IFAD in 1977.



Memo of Understanding

between

**The Cooperation Council for the Arab States of the Gulf (GCC) and
The International Fund for Agricultural Development (IFAD)**

The GCC Secretariat-General and IFAD, hereinafter referred to as "the parties",

Emphasizing the objectives of the GCC Charter, which call for coordination and integration between Member States in all fields, such as, *inter alia*, encouraging scientific and technical progress in areas of agriculture, water, animal husbandry and fish resources, natural resources management, sustainable development, climate changes, establishing scientific research centers, setting up joint ventures and encouraging private sector participation for the good of the peoples of GCC Member States, and

Inspired by the objectives and principles outlined in the agreement establishing the IFAD, which calls for the provision of more resources for agricultural development to IFAD Member States, through financing projects and programs that aim at increasing agricultural production and improving living standards, and

Desiring to effectively contribute to achieving their common objectives for financing mainly the projects and programs that would enhance agricultural and rural development, food production, environmental problems, natural resources and relevant research activities of interest to both parties, and

Being fully convinced that such cooperation would enhance the opportunities of achieving these objectives, as outlined in the cooperation agreement concluded between the two parties on the 2nd of August 1989, which is to be terminated per the present MoU.

Therefore, the two parties have now agreed as follows:



Article (1)

Objectives

The objective of this MoU is to enhance joint action between the two parties, through increasing their efforts that would contribute to achieving their common objectives within the limitations of their respective mandates, policies and resources.

Article (2)

Areas of Cooperation

- (A)** The parties hereto will act according to the cooperation projects and programs they agree to in the following areas:
- 1- Cooperation on issues relating to agricultural and rural development , food production, environmental issues, and relevant research activities of interest to both parties.
 - 2- Cooperation on reducing poverty in rural areas of the developing countries, through providing assistance in areas of agriculture, food and food security.
 - 3- Cooperation on developing substantive solutions to the environmental problems emanating from the developments experienced by the GCC States, which would have adverse impacts on development and human security, such as water deficiency , desertification, climate change, as well as pollution.
- (B)** Any other areas of cooperation can be added by mutual agreement of both parties.

Article (3)

Exchange of information/ Documents and Joint Actions

The parties will exchange information and documents of mutual interest, in areas of common interest according to their applicable laws, as follows:



- 1- Either party will make available to the other party, within its potentials, any information or data related to their joint projects, and
- 2- IFAD will adopt measures appropriate to providing required support to the GCC States in terms of all programs and projects agreed to by the parties, and
- 3- The GCC Secretariat-General will coordinate agreed research programs, projects and activities supported by IFAD.

Article (4)

Communication, Consultation and Cooperation

In order to achieve the objectives outlined herein, the parties will implement, to the extent possible, the programs and projects of mutual interest through the following mechanisms of coordination, communication and consultation:

- 1- An annual periodic meeting, co-chaired by H.E. the GCC Secretary-General or his representative, and the President of IFAD or his representative, to be alternately held at both parties' headquarters.
- 2- The parties will exchange invitations to attend conferences, seminars and forums.
- 3- The parties will regularly exchange consultation on the establishment of joint cooperation programs, reviewing the areas of common interests, and will determine, when necessary, the contribution of either parties in the implementation of joint activities.
- 4- The parties will designate representatives or liaison officers for coordination and follow-up concerning implementation of this MoU.

Article (5)

Settlement of Disputes

Any disputes that may arise out of the interpretation or implementation of this MoU shall be amicably settled through consultations or negotiations between the parties or by another mutually agreed mode of settlement.



Article (6)

Amendment, Implementation and Termination

- 1- The present MoU may be amended by agreement of the parties through mutual correspondence.
- 2- The present MoU shall be deemed as an administrative arrangement between the GCC Secretariat-General and IFAD and does not create any legal obligations.
- 3- The present MoU shall enter into force from the date of its signing subject to the completion by each party of the necessary requirements according to their applicable laws.
- 4- The present MoU shall remain in effect for a period of four years, to renewable for similar periods, unless either parties serves a written notification to the other party of its intention to terminate it. However, the MoU shall continue in effect for a period of thirty days from the date of such notification.
- 5- The Cooperation Agreement signed between the parties in 1989, shall be deemed terminated as soon as this MoU has come into force, without the need for a written termination notification.

Signed on 19 / 04 / 1435 H., corresponding to 19 / 02 / 2014 G., in the city of Rome, Italy, of duplicates, in the Arabic and English languages; each text being equally authentic.

For the GCC
Dr. Abdullatif Bin Rashid Al Zayani
Secretary General

For IFAD
Kanayo F. Nwanze
President