



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventieth Session
Rome, 13-14 September 2000

**COOPERATION AGREEMENT WITH THE
ARAB AUTHORITY FOR AGRICULTURAL INVESTMENT
AND DEVELOPMENT (AAAID)**

1. The Executive Board is invited to note that IFAD intends to establish a Cooperation Agreement with the Arab Authority for Agricultural Investment and Development (AAAID).
2. In accordance with Article 8, Section 2, of the Agreement Establishing IFAD, the Executive Board is requested to authorize the President to negotiate and finalize a Cooperation Agreement between IFAD and AAAID along the lines of similar agreements already signed between IFAD and other institutions. The text of the Cooperation Agreement to be negotiated and concluded will be submitted to the Executive Board for its information at a subsequent session.
3. Relevant background information on AAAID is attached in the Annex.

ARAB AUTHORITY FOR AGRICULTURAL INVESTMENT AND DEVELOPMENT

Activities. The AAAID is a pan-Arab financial organization specialized in promoting agricultural development in member countries. Its activities include all forms of investment in agricultural production and such complementary or related activities. In particular this covers:

- (a) land reclamation;
- (b) plant, animal and fish production;
- (c) pasture, forest and other agricultural resources;
- (d) transportation, storage, marketing, exporting and processing of all agricultural products, animal and fish production and their inputs, including agricultural materials and machinery;
- (e) implementation of projects or other related activities necessary for or complementary to investment and development, including infrastructure projects;
- (f) research and feasibility studies relevant to the above-mentioned projects and activities; and
- (g) financing the above-mentioned projects and activities and participating in ensuring that the necessary financing is available.

The Authority carries out its activities following the criterion of commercial viability and financial prudence with the objective of achieving a reasonable return on its overall activities. It executes such projects directly or through affiliated companies set up by AAAID or companies in which it takes an equity share. It may become involved in cofinancing activities with similar international, regional or national financial institutions operating in the same or related areas of activity.

Aims. The objective of AAAID is the development of agricultural resources in its Member States. Particular emphasis is placed on promotion of agricultural products and inputs and the provision of maximum amounts of foodstuff to Member States.

Executive Secretary. The governing body of AAAID is made up of the Ministers of Finance of its Member States. An eight-member executive board, selected from the Member States for a four-year term, meets three times a year. The current President of AAAID is Mr Abdulkarim Al-Amri from the United Arab Emirates.

Establishment. The AAAID was established in 1976 as an independent Arab financial authority enjoying administrative and financial autonomy.

Finance. AAAID's paid-up capital is KD 150 million (equivalent to USD 500 million).

Language. The Authority conducts its operations in Arabic, English and French.

Present Membership. AAAID's Member States are: (i) the People's Democratic Republic of Algeria; (ii) the Republic of The Sudan; (iii) the Republic of Iraq; (iv) the Kingdom of Saudi Arabia; (v) the Arab Republic of Egypt; (vi) the State of Kuwait; (vii) the Kingdom of Morocco; (viii) the United Arab Emirates; (ix) the State of Qatar; (x) the Somali Republic; (xi) the Islamic Republic of Mauritania; (xii) the Republic of Tunisia; (xiii) the Hashemite Kingdom of Jordan; (xiv) the Sultanate of Oman; (xv) the Lebanese Republic; and (xvi) the Syrian Arab Republic.



Secretariat Headquarters. AAAID has its head office in Khartoum, Sudan, and a regional office in Dubai, United Arab Emirates.

Staff. The Authority has approximately 140 staff, of which 30% are professional and 70% are general service.

Benefits from IFAD/AAAID Cooperation. AAAID's management is very keen to diversify assistance to its Member States, mainly and most importantly by enhancing project financing through lending. For this, not only would IFAD's experience become very useful to AAAID but there would also be enormous potential for AAAID-IFAD cooperation and cofinancing in the areas of programme/project lending and grant financing in the countries of common membership.