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IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Eightieth Session

Rome, 17-18 December 2003

COOPERATION AGREEMENT WITH THE NEPAD SECRETARIAT

1. The Executive Board is invited to note that IFAD intends to establish a cooperation agreement with the Secretariat of the New Partnership for Africa's Development (NEPAD), based in Johannesburg, South Africa. The framework document for NEPAD (available at the NEPAD website: www.nepad.org) identifies five pillars for African development. One of these is agriculture and, in collaboration with other development agencies, IFAD has been actively assisting the Secretariat to develop its vision and action plan for addressing the development challenges associated with the agricultural pillar. A cooperation agreement between the NEPAD Secretariat and IFAD would facilitate full, proper and legal cooperation between the two entities.
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 the NEPAD Secretariat. The text of the 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 the NEPAD Secretariat and the potential scope of cooperation with IFAD is provided in the annex hereto.

NEPAD OBJECTIVES AND PRIORITY AREAS

1. The New Partnership for Africa's Development (NEPAD) is a vision and strategic framework for Africa's renewal. The strategic framework document arises from a mandate given to the five initiating Heads of State (of Algeria, Egypt, Nigeria, Senegal and South Africa) by the Organization of African Unity (OAU) to develop an integrated socio-economic development framework for Africa. The 37th Summit of the OAU, held in July 2001, formally adopted the strategic framework document.
2. The primary objectives of NEPAD are to:
 - Eradicate poverty;
 - Place African countries, both individually and collectively, on a path of sustainable growth and development;
 - Halt the marginalization of Africa in the globalization process and enhance its full and beneficial integration into the global economy; and
 - Accelerate the empowerment of women.
3. The guiding principles of NEPAD are:
 - Good governance as a basic requirement for peace, security and sustainable political and socio-economic development;
 - African ownership and leadership, as well as broad and deep participation by all sectors of society;
 - Anchoring the development of Africa on its resources and the resourcefulness of its people;
 - Partnership between and amongst African peoples;
 - Acceleration of regional and continental integration;
 - Building the competitiveness of African countries and the continent;
 - Forging a new international partnership that changes the unequal relationship between Africa and the developed world; and
 - Ensuring that all partnerships with NEPAD are linked to the Millennium Development Goals and other agreed development goals and targets.
4. Priority sectors for policy reforms and increased investment include: agriculture, human development, information and communications infrastructure, energy, transport, water and sanitation, and the environment. Among the key economic concerns are promoting production and export diversification, accelerating intra-African trade and improving access to developed country markets.

GOVERNANCE STRUCTURE OF NEPAD

5. The highest authority of the NEPAD implementation process is the Assembly of Heads of State and Government of the African Union (the successor organization to the OAU as of July 2002).
6. The implementation process is overseen by the Heads of State and Government Implementation Committee (HSIC), which is made up of three states from each region of the African Union (AU), as mandated by the OAU Summit of July 2001 and ratified by the AU Summit of July 2002. The HSIC reports to the AU Summit on an annual basis.
7. The Steering Committee of NEPAD comprises the personal representatives of the NEPAD Heads of State and Government. This committee oversees projects and programme development.

8. The NEPAD Secretariat coordinates implementation of projects and programmes approved by the HSIC. It is a relatively small entity (about 30 staff members) based in Johannesburg, South Africa. It is foreseen that the Secretariat will eventually be fully integrated into the AU structure.

NEPAD AND IFAD

9. IFAD is committed to doing its part to ensure that NEPAD succeeds. The prominence assigned to African ownership and to improving governance mechanisms (including encouraging pluralism and civil society participation), coupled with the strong emphasis placed on poverty alleviation and agricultural development, provide a platform whereby IFAD can work with its partners to further this important and ambitious agenda.

10. To date, IFAD has contributed to the NEPAD agricultural pillar in various ways. It has focused its support for the NEPAD process on assisting farmers' organizations to learn more about NEPAD and discuss their potential role in the NEPAD process. In June-July 2003, IFAD assisted the Network of Farmers' Organizations and Agricultural Producers (ROPPA) in western Africa, its counterparts in eastern and southern Africa (Kenya National Farmers' Union) and the National Farmers' Organization Board of Cameroon, in central Africa, in facilitating three further regional consultations to: (i) analyse existing reports on the NEPAD agricultural component; (ii) prepare and present their vision of NEPAD agriculture at a forum to be held in Johannesburg (scheduled for late 2003 or early 2004); and (iii) agree on a common position regarding the NEPAD agricultural component.

11. In addition, IFAD has served as rapporteur for the cluster of United Nations agencies supporting NEPAD on agriculture, trade and market access. This has involved updating status reports on the involvement of several agencies – including IFAD, the Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP), the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Environment Programme (UNEP) – for documents of the United Nations Economic Commission for Africa (UNECA) submitted to the African Union.

12. IFAD and the NEPAD Secretariat intend to deepen their collaboration in the future. IFAD has been requested to serve as a member of the NEPAD Support Group formed in Rome in September 2003 to advise the Secretariat on a range of technical issues. Other members will include a variety of multilateral organizations and stakeholders from Africa.

13. IFAD has also been requested to provide technical assistance to the NEPAD Secretariat to help build capacity among farmers' organizations and formulate investment projects that contribute to achieving the objectives of NEPAD.

14. As a funding agency, IFAD may also eventually support the design and financing of a number of NEPAD-supported investments through its loan and grant resources.