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IFAD

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Executive Board – Eighty-Second Session

Rome, 8-9 September 2004

MEMORANDUM OF UNDERSTANDING FOR A COOPERATION FRAMEWORK BETWEEN IFAD AND THE NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT (NEPAD)

1. At its Eightieth Session in December 2003, in authorizing the President to negotiate and finalize a Memorandum of Understanding for a Cooperation Framework between IFAD and the Secretariat of the New Partnership for Africa's Development, the Executive Board requested that the text of the Memorandum of Understanding be submitted for its information at a subsequent session.
2. In accordance with the Board's request, a conformed copy of the above-mentioned Memorandum of Understanding, which was signed on 28 June 2004, is attached hereto.

CONFORMED COPY

MEMORANDUM OF UNDERSTANDING

between the

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

and the

NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT

Dated 28 June 2004

MEMORANDUM OF UNDERSTANDING dated 28 June 2004 between the INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (“IFAD”) and the NEW PARTNERSHIP FOR AFRICA’S DEVELOPMENT (“NEPAD”).

WHEREAS:

(A) IFAD is a specialized agency of the United Nations with the mandate to combat hunger and rural poverty in developing countries. IFAD works towards enabling the rural poor to overcome their poverty by fostering social development, gender equity, income generation, improved nutritional status, environmental sustainability and good governance;

(B) NEPAD is a pledge by African leaders, based on a common vision, to develop a programme of action for the redevelopment of the African continent. The goals of NEPAD are to promote accelerated growth and sustainable development, to eradicate widespread and severe poverty, and to halt the marginalization of Africa in the globalization process;

(C) IFAD has been actively assisting the NEPAD Secretariat to develop NEPAD’s vision and action plan for addressing the development challenges associated with its agricultural pillar. IFAD is committed to continue its technical and financial support to NEPAD to ensure that it succeeds;

(D) On the basis of the above, IFAD and NEPAD have agreed to cooperate on the terms and conditions set forth in this Agreement;

NOW THEREFORE, the Parties hereto hereby agree as follows:

ARTICLE I

Purpose of the Memorandum of Understanding

1.1. The purpose of this Memorandum is to establish a framework for collaboration and co-ordination between IFAD and NEPAD with the common objective to alleviate rural poverty and enhance African smallholder farmers’ livelihoods by:

- (a) Improving the access of African smallholder farmers to human and social assets by strengthening the capacity of the rural poor and their organisations;
- (b) Creating opportunities for stakeholder participation in regional political decision making processes;
- (c) Improving the equitable access to productive natural resources and technology; and
- (d) Increasing access to financial services and markets.

ARTICLE II

Areas of Collaboration

2.1. In order to achieve their common objectives, IFAD and NEPAD shall collaborate in implementing the following main activities:

- (a) Organisation of stakeholder co-ordination and dialogue to improve the participation of civil society organisations representing poor smallholder farmers and particularly women at regional and national political level;
- (b) Strategic analysis of regional-level rural development opportunities;
- (c) Assistance to civil society organisations to convene participatory consultations on specific NEPAD interventions allowing the grassroots' point of view to be considered in the design of development programmes;
- (d) Formulation of development programmes based on the output of the above consultations, in order to ensure the full participation of smallholder farmers' organisations in the design of identified NEPAD priority programmes;
- (e) Boosting rural development in Africa by engaging partners and catalysing for various stakeholders to contribute to and cooperate in NEPAD initiatives;
- (f) Resource mobilization from national, bilateral and multilateral sources as well as non-governmental organisations and the private sector for NEPAD sanctioned programmes;
- (g) Knowledge sharing, particularly with regard to the identification of best practices in rural development based on NEPAD's and IFAD's specific experiences and lessons learned.

2.2. In addition to the above-listed activities, IFAD and NEPAD may cooperate in other areas which they mutually deem relevant and in line with their common objective.

ARTICLE III

Technical Assistance

3.1. IFAD shall support NEPAD in implementing the above-listed activities by providing technical assistance, as and when needed and upon the request of NEPAD. Such technical assistance may be in kind, through the appointment of technical expertise (consultants or IFAD staff), or through grant funding to cover various eligible expenditures.

3.2. All activities undertaken with the technical assistance of IFAD shall be the subject of separate agreements and/or exchange of letters, as appropriate.

ARTICLE IV

Meetings and Information

- 4.1. From time to time, IFAD and NEPAD shall hold joint meetings to review the implementation of this Memorandum and to improve, as necessary, their collaboration.
- 4.2. Representatives of IFAD and NEPAD shall, in conformity with the rules and regulations of each Party, be invited to attend meetings of the governing or policy organs of, and to participate in other meetings convened by, the other Party which are relevant to the purposes of this Memorandum.
- 4.3. IFAD and NEPAD shall promote the exchange of technical information and relevant reports between the two agencies in the areas relevant to their common objectives.

ARTICLE V

General Provisions

- 5.1. The implementation of this Memorandum shall be in compliance with the respective administrative rules, regulations and procedures of IFAD and NEPAD. Where support is required from any of the Parties, such support shall be provided on the basis of their existing guidelines and subject to budget availability.
- 5.2. This Memorandum shall enter into force, as of the date hereof, upon signature by the duly authorised representatives of IFAD and NEPAD. The Memorandum shall be subject to review after the period of two years (2) after which IFAD and NEPAD shall decide on the way forward.
- 5.3. This Memorandum may be modified with the written consent of both Parties in accordance with their respective constitutional procedures.
- 5.4. This Memorandum may be terminated prior to the end of its term by mutual written consent, or may be renounced by either Party, giving the other Party three months' written notice. Notwithstanding the expiry of a notice of termination, the Parties agree that the provisions of this Memorandum shall remain in full force to the extent necessary to permit the orderly conclusion of any activity undertaken pursuant to this Memorandum.
- 5.5. All matters where there is disagreement or where a difference of opinion arises between the Parties will be resolved through consultation between the Parties.

IN WITNESS WHEREOF, the Parties hereto, acting through their duly authorised representatives, have signed this Memorandum of Understanding, as of the date first above written.

International Fund for
Agricultural Development

New Partnership for
Africa's Development

Signed by: (Lennart Båge)
Lennart Båge
President

Signed by: (Wiseman Nkuhlu)
Wiseman Nkuhlu
Chairman, Steering Committee