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INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT Executive Board – Eighty-Third Session

Rome, 1-2 December 2004

COOPERATION AGREEMENT BETWEEN THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT AND THE ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

- 1. The Executive Board is invited to note that IFAD would like to enter into a cooperation agreement with the Organisation for Economic Co-operation and Development (OECD).
- 2. The primary goal of the cooperation agreement is to strengthen dialogue and cooperation between the two institutions in the fields of rural development and poverty reduction. A specific objective is to build effective partnership and enhance programmatic cooperation between IFAD and OECD in the implementation of the OECD-IFAD-France joint initiative in order to bring agricultural and rural development back onto the policy agenda at global, regional and national levels.
- 3. In accordance with Article 8, Section 2, of the *Agreement Establishing IFAD*, the Executive Board is requested to authorize the President to negotiate and sign the necessary legal documentation along the lines of similar agreements signed with other partners. The text of the cooperation agreement to be negotiated and signed will be submitted to the Executive Board for its information at a subsequent session.
- 4. Relevant background information is attached in the Annex.

ANNEX

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Background

IFAD has been working closely, through its Western and Central Africa and Resource Mobilization Divisions, with the Organisation for Economic Co-operation and Development (OECD) and the French Ministry of Foreign Affairs, with a view to improving agricultural policy analysis and policy dialogue on rural development in western and central Africa (WCA).

At the regional level, the Western and Central African Hub for Rural Development and Food Security is meant to be an instrument sponsored by various partners, including the French and Italian Governments, IFAD, the European Union, the United Nations Development Fund for Women and the United Nations Office for Project Services. The hub will support policy analysis and dialogue in WCA and play a key role in facilitating regional and national stakeholder coordination.

One of the most relevant IFAD-OECD-France joint initiatives developed through this process is the Support to African Agriculture Project in Western and Central Africa (SAAP-WCA), which aims to bring agricultural and rural development back onto the policy agenda at global, regional and national levels. In order to finance the technical-assistance activities necessary to project implementation, the Government of France agreed to provide EUR 600 000 to IFAD. The relevant framework cooperation and project administration agreements between the Government of France and IFAD were negotiated and signed on 30 January 2004, and a first tranche of EUR 250 000 was transferred to IFAD on 13 September 2004.

Implementation of project start-up activities was initiated after transfer of the funds. A cooperation agreement between IFAD and OECD is now needed to facilitate administrative and operational arrangements between the two institutions.

Goal and Objectives of the Cooperation Agreement

The primary goal of the cooperation agreement between IFAD and OECD is to strengthen dialogue and cooperation between the two institutions in the fields of rural development and poverty reduction.

The specific objectives are the following:

- (i) building effective partnership and enhancing programmatic cooperation between IFAD and OECD in the implementation of the IFAD-OECD-France joint initiative in order to bring agricultural and rural development back onto the policy agenda at global, regional and national levels; and
- (ii) facilitating the operational and administrative arrangements for implementation of activities financed under the contribution of the Government of France. The activities were identified at a number of meetings of the French Ministry of Foreign Affairs, OECD and IFAD, with the involvement of the Western and Central African Hub for Rural Development and Food Security.

ANNEX

Institutional Arrangements

At the international level, the initiative will draw upon the respective strengths of the three partners, IFAD, OECD, and France and the other potential partners. In particular, the analytical and policy-dialogue expertise in OECD should be matched by the expertise and field experience in agricultural development and rural poverty reduction of the French Cooperation and IFAD.

At the regional level, project activities will be designed and implemented in conjunction with the appropriate regional institutions and initiatives. In this respect, the OECD-based Sahel and West Africa Club and the OECD Development Centre, as well as the Western and Central African Hub for Rural Development and Food Security, are indispensable partners in devising and animating policy dialogue on the one hand, and linking regional and country levels on the other. Similar linkages will be established with regional institutions in the other regions of the continent.