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Enabling the rural poor  
to overcome poverty

## **Cooperation agreement between IFAD and Agence Française de Développement**

Executive Board — Eighty-ninth Session  
Rome, 12-14 December 2006

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For: **Information**



## **Cooperation agreement between IFAD and Agence Française de Développement**

1. At its eighty-eighth session, held in September 2006, the Executive Board authorized the President to negotiate and sign a cooperation agreement between IFAD and Agence Française de Développement (the development agency of the French Government), and requested that the text of the agreement, as negotiated and signed, be submitted to it for information at a subsequent session.
2. The cooperation agreement was signed on 17 November 2006. Pursuant to the Board's request, a conformed copy is attached for information.



## COOPERATION AGREEMENT

between the

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT ("IFAD")

and

AGENCE FRANÇAISE DE DÉVELOPPEMENT ("AFD")

Dated 17 November 2006

## COOPERATION AGREEMENT

COOPERATION AGREEMENT dated 17 November 2006 between the INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT ("IFAD") and AGENCE FRANÇAISE DE DÉVELOPPEMENT ("AFD").

WHEREAS IFAD is a financial institution whose purpose is to mobilize and provide financial resources on favourable conditions to its developing Member States for sustainable agricultural development, the fight against hunger, malnutrition and rural poverty in the most disadvantaged regions, to raise the standard of living of the poorest of the poor, mainly by improving household food security, promoting income-generating activities, socio-economic advancement of women and environmental protection;

WHEREAS AFD is a public agency within the French official development aid structure that contributes, through its financial support, to the achievement of the Millennium Development Goals by means of productive public and private projects that create employment;

WHEREAS the Parties have a closely shared vision of the strategies to be pursued in the domains of rural and agricultural development, the participatory approach, and a local and global approach to development; and

WHEREAS the Parties wish to establish a general framework of cooperation in which to pursue their common objectives;

THEREFORE, IFAD, represented herein by its President, and AFD, represented herein by its Director-General, hereby agree as follows:

### ARTICLE I

#### *Objectives*

SECTION 1.01. The general objectives of this cooperation agreement are to strengthen dialogue between AFD and IFAD in the areas of policy and interventions with a view to expanding the possibilities for cofinancing and to making the partnership between the Parties more effective, by integrating the existing areas of cooperation within a common framework.

SECTION 1.02. AFD and IFAD agree to pursue the development policy principles and objectives, as set forth by AFD in its Strategic Orientation Plan (*Projet d'Orientation Stratégique de l'Agence française de développement*), and by IFAD in its Strategic Framework 2002-2006: Enabling the Rural Poor to Overcome their Poverty, respecting at least the following principles:

- (a) Strive to reduce poverty by promoting sustainable development based on economic growth that favours the poor and on equitable participation by men and women.
- (b) Anchor cooperation with beneficiary countries in a partnership borne of national priorities.
- (c) Ensure that environmental concerns are taken into account in all aspects of development cooperation.
- (d) Ensure that gender considerations are reflected in all elements of development cooperation.

- (e) Promote sound governance, social cohesion and the respect of human rights as a core element of development activities.

## ARTICLE II

### *Sphere of Cooperation*

SECTION 2.01. The Parties hereto shall establish ties of cooperation and partnership in order to promote the achievement of their common objectives and – through broader dialogue on technical, institutional and financial aspects of their programmes and the pooling of their efforts – to develop complementarity and synergy between activities of the two institutions.

SECTION 2.02. Cooperation between the Parties shall focus inter alia on the following areas:

- (a) Dialogue on area of regional and international policies that influence rural development and rural poverty reduction options so as to enrich these policies with knowledge drawn from country programme experience;
- (b) Development of new methods for cofinancing joint projects;
- (c) Design of joint projects, through joint appraisal and evaluation missions and joint negotiations;
- (d) Strengthening of capacities of the rural poor and their grass-roots organizations;
- (e) Support for the strengthening or establishment of agricultural commodity chains through the development of public-private partnerships;
- (f) More equitable access to natural resources and technology;
- (g) Exchange of staff and information: IFAD and AFD shall encourage exchanges of staff between the two organizations to support implementation of the present Agreement and promote the cofinancing of projects and programmes;
- (h) Participation in workshops to reflect on common issues and themes, such as decentralized financial systems, natural resource management, the environment and efforts to control desertification, local development, decentralization policies, strengthening of local institutions and grass-roots organizations, including farmers' organizations, and partnerships with the private sector;
- (i) Cooperation in agricultural research; and
- (j) Collaboration between the Parties with a view to increasing the contribution of France under the French Supplementary Fund.

SECTION 2.03. IFAD and AFD shall cooperate under this Agreement to maintain, and if possible strengthen, the objective of poverty reduction in their operations in the poorest countries and regions, especially in sub-Saharan Africa and other regions of special interest to the two institutions.

SECTION 2.04. The Parties shall endeavour to strengthen the impact of country-level organizations and to ensure increased participation in such coordination and cooperation forums as the United Nations Development Assistance Framework (UNDAF) and poverty reduction strategy papers. In this regard, the Parties shall strive to

expand country-level cooperation between activities of IFAD and the agricultural and rural development programmes financed by France.

### ARTICLE III

#### *Modalities of Cooperation*

SECTION 3.01. The Parties shall consult with each other and exchange views and information systematically and continuously on issues of common interest so that each may be informed of the projects and activities of the other.

SECTION 3.02. Activities carried out under the present Agreement shall be the subject of specific agreements defining inter alia the objectives, actions to be undertaken, means of implementation, and financial, material and staff contributions of each Party.

SECTION 3.03. Execution of the present Agreement shall be coordinated by an authorized representative of each of the two Parties, designated respectively by the authorities of IFAD and of AFD. The Permanent Representation of France to the Food and Agriculture Organization of the United Nations (FAO) in Rome shall be kept informed.

### ARTICLE IV

#### *Information and Consultation*

SECTION 4.01. The Parties shall specifically consult each other on:

- (a) Common strategies to be pursued;
- (b) The identification of programmes and projects to be prepared jointly;
- (c) Issues related to rural development and rural poverty reduction, including the design of new methods of intervention, partnership and cofinancing;
- (d) The frequency, dates and sites of such consultative meetings; and
- (e) The measures taken by each Party to ensure coordination of the activities to be carried out under the present Agreement.

SECTION 4.02. Each Party shall inform the other of the projects that it is initiating or in which it is involved and that may potentially be of interest to the other. The possible participation of the other Party in such projects would be decided upon at this time.

SECTION 4.03. All activities carried out hereunder by one of the Parties must be compatible with the policies, procedures, criteria and regulations of the other.

SECTION 4.04. All information furnished hereunder by one of the Parties to the other shall be confidential and may not be used for any other purpose than the one for which it was provided.



## ARTICLE V

*Administrative and Financial Matters*

SECTION 5.01. The Parties shall take, by mutual agreement, the appropriate legal, administrative and financial measures for the planning, programming, financing, execution, monitoring, accounting and audit of operations conducted hereunder.

SECTION 5.02. AFD and IFAD shall strive to mobilize additional development funding from France with a view to financing activities and services to implement this Agreement and other initiatives agreed by the Parties. Such funds shall be made available according to terms and conditions to be defined in a separate agreement.

## ARTICLE VI

*Settlement of Disputes. Rescission*

SECTION 6.01. Should any event occur such as to prevent either of the Parties from honouring any of its obligations hereunder or prevent such obligation from being fully honoured or from attaining its objective, the Parties shall consult each other without delay so that a solution may be found. Any dispute arising between the Parties shall be resolved through amicable means.

SECTION 6.02. The present Agreement is entered into for an undetermined period of time. It may be rescinded by either of the Parties by written notification to the other three months in advance.

## ARTICLE VII

*Final Provisions*

SECTION 7.01. Any relevant matter not explicitly covered herein shall be addressed in a manner acceptable to both Parties and, in this regard, each Party shall review, in a constructive way, any and all proposals forwarded by the other.

SECTION 7.02. The Parties shall consult each other on any amendment hereto as may be requested by the other Party. All amendments shall be made in writing and shall enter into effect at such time as the applicable legal requirements of each of the Parties have been satisfied.

SECTION 7.03. All notifications and requests made hereunder are to be made in writing. All such notifications and requests shall be deemed duly delivered as of the time they have been delivered in person, by letter or by fax to the receiving Party at the addresses specified below or such other address as said Party shall have indicated in writing to the Party making the notification or request.

For AFD:

Agence Française de Développement  
5, rue Roland Barthes  
75598 Paris Cedex 12  
France

Fax number: (+33 1) 44 87 99 39

For IFAD:

International Fund for Agricultural Development  
Via del Serafico 107  
00142 Rome  
Italy

Fax number: (+39 06) 504 3463

SECTION 7.04. The present Agreement – signed in four originals in French, each with legal force and effect – shall enter into effect on the date indicated on the first page after its signature by both Parties.

IN WITNESS WHEREOF, the Parties – acting through their duly authorized representatives – have signed the present Agreement at Rome, Italy.

INTERNATIONAL FUND FOR  
AGRICULTURAL DEVELOPMENT

Signed by: \_\_\_\_\_ (Lennart Båge)  
*President*

AGENCE FRANÇAISE DE  
DÉVELOPPEMENT

Signed by: \_\_\_\_\_ (Jean-Michel Severino)  
*Director-General*

