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Memorandum of understanding between FAO, IFAD, WFP and the Alliance for a Green Revolution in Africa (AGRA)

Executive Board — Ninety-fourth Session Rome, 10-11 September 2008

For: Approval

# **Note to Executive Board Directors**

This document is submitted for approval by the Executive Board.

To make the best use of time available at Executive Board sessions, Directors are invited to contact the following focal point with any technical questions about this document before the session:

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# Recommendation for approval

It is recommended that the Executive Board approve the provisions of the memorandum of understanding entered into by the Food and Agriculture Organization of the United Nations (FAO), the International Fund for Agricultural Development (IFAD), the World Food Programme (WFP) and the Alliance for a Green Revolution in Africa (AGRA) on 4 June 2008.

# Memorandum of understanding between FAO, IFAD, WFP and the Alliance for a Green Revolution in Africa (AGRA)

- 1. On 4 June 2008, IFAD entered into an agreement with the Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP) and the Alliance for a Green Revolution in Africa (AGRA) for the purpose of developing a strategic alliance to help African countries in their efforts to achieve a green revolution that will reduce/eradicate hunger and improve the food security and incomes of African farmers and rural households. The activities to be carried out under this agreement are expected to be consistent with the IFAD Strategic Framework 2007-2010.
- 2. The Executive Board is invited to approve the provisions of the agreement.
- 3. A copy of the signed memorandum of understanding is provided in the annex.

#### MEMORANDUM OF UNDERSTANDING

#### BETWEEN

THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO),

THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD),

THE WORLD FOOD PROGRAMME (WFP), AND

THE ALLIANCE FOR A GREEN REVOLUTION IN AFRICA (AGRA)

#### **PREAMBLE**

Considering the mandate which the international community assigned to the Food and Agricultural Organization of the United Nations (FAO) to ensure humanity's freedom from hunger, through the development of agriculture and the improvement in levels of nutrition and standards of living to achieve the objective of sustainable food security for all;

Considering that the objective of the International Fund for Agricultural Development (IFAD) is to mobilize additional resources to be made available on concessional terms for agricultural development in developing Member States. In fulfilling this objective the Fund shall provide financing primarily for projects and programmes specifically designed to introduce, expand or improved food production systems and to strengthen related policies and institutions within the framework of national priorities and strategies;

<u>Considering</u> that the World Food Programme (WFP) is mandated to provide emergency and development food aid to eradicate hunger and poverty amongst the poorest and most food-insecure countries and populations;

<u>Considering</u> that the Alliance for a Green Revolution in Africa (AGRA), a notfor-profit corporation registered under the Laws of the State of Washington in the United States of America, promotes a new sustainable and equitable "Green Revolution" in Africa to help millions of small-scale farmers and their families lift themselves out of poverty and hunger while safeguarding the environment,

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and advocates for policies that support its work across all key aspects of the African agricultural "value chain";

Recalling the World Food Summits of 1996 and 2002 which recognized the need to involve civil society in the struggle against hunger and to ensure that all shall have access to food, so that the scourge of hunger might be eradicated and the number of malnourished people in the world be reduced to half its current level by the year 2015;

<u>Further recalling</u> that FAO, IFAD and WFP, the three Rome-based United Nations institutions, have a long and positive experience of cooperation within an established legal framework of agreements and policy documents;

Bearing in mind that, at the High-level Meeting held in Geneva, Switzerland, on 9 November 2007, the Chairman of the Board of AGRA, the Director-General of FAO, the Executive Director of WFP and the President of IFAD endorsed the partnership between such institutions, agreed that the institutions will work together to jointly implement programmes for achieving a Green Revolution in Africa, and decided to set out the principles of such partnership in a framework Memorandum of Understanding to be considered as an operative complement to the existing agreements between the institutions;

<u>Taking note</u> that, as expressed by the Chairman of the Board of AGRA at the Launch of AGRA in June 2007, a "Green Revolution in Africa" means a revolution that looks to improve agricultural production as the basis of a larger effort to take Africa confidently into a new era of sustainable development; a revolution that improves the lives of farmers and delivers greater opportunity, enterprise and prosperity;

<u>Further taking note</u> that the world is witnessing an unprecedented global food crisis and that nowhere is the crisis more serious than in Africa. Also, further noting that in Africa agricultural productivity has not been able to keep up with rapid population growth over the past three decades. That addressing these challenges requires urgent action; that one of the major elements to the solution to the crisis lies in rapid increases in agricultural productivity and food security to ensure that Africa achieves its Millennium Development Goal-1 on chronic hunger and poverty, and in measures to improve food access for the poor and vulnerable populations. That a major effort is needed to scale up investment in agriculture to trigger supply response whilst also meeting the resulting needs for the most vulnerable; that this requires an African Green Revolution and that the time for achieving this is now;

Now, therefore, the Chairman of the Board of AGRA, the Director-General of FAO, the Executive Director of WFP and the President of IFAD (hereinafter referred to as the "Parties") have agreed, within the framework of the rules and regulations of the respective institutions, as follows:

#### Article 1. Objective and Scope

1.1. The objective of this Memorandum of Understanding is to develop a strategic alliance between the Parties to help African countries in their efforts to achieve a Green Revolution that will reduce/eradicate hunger, improve food security and incomes for African farmers

and rural households.

1.2. For the achievement of the aforementioned objective, the Parties agree to establish a flexible method of joint work within the following scope:

- a. Work together on policies and programmes for achieving a sustainable Green Revolution in Africa, with equity as one of the primary aims;
- Coordination of respective efforts and implementation of joint action plans in clearly defined major agricultural intensification zones of selected countries, to be agreed by the Parties, to enhance food security through improving agricultural production and productivity, reduce vulnerability and raise incomes of farmers and rural households;
- Initiation of joint activities in specific agricultural intensification zones of the selected countries on specific programmatic interventions to accelerate food production, improve markets and raise incomes;
- d. Establishment of a technical working group to design specific programmes and coordinate field implementation of the partnership activities;
- Exchange of information, and monitoring and evaluation of jointly implemented partnership activities;
- f. Coordination of the joint-implementation action plans with other donors in target countries and ensure alignment with national and regional priorities.

#### Article 2. General Principles of Cooperation

Without prejudice to existing mandates, and subject to availability of staff and financial resources, the Parties will, within the framework of their respective rules and regulations, and in support of major African-led initiatives such as, at the continental level, the Comprehensive African Agricultural Development Programme (CAADP) of the New Partnership for African Development (NEPAD), and other initiatives led by regional bodies:

- Support sustainable agricultural production and productivity and production increases in the selected countries;
- b. Do their best to ensure that small-scale farmers, particularly those faced with income losses due to natural and man-made calamities (for example, flood, drought, pest infestation) are supported and encouraged to participate in agricultural interventions;
- Assist national governments, in collaboration with other partners, to enable conditions for the food insecure households to benefit from the proposed agricultural interventions;
- d. Enable farmers, particularly small-scale farmers, to have access to input and output
  markets through a value chain approach including, among other things, processing,
  storage and transport;
- Enter into technical cooperation and contractual arrangements, within the purview
  of this Memorandum of Understanding, with the aim to, for example, contribute

- financially towards commonly agreed programmes and projects, or exchange experts;
- f. Support, through the decentralized operational environment of each of the Parties (Country Offices), the implementation of the agricultural activities where the Party or Parties concerned are represented.
- g. At country level, work with and support ongoing development efforts of the Government, producers, private sector, development partners and other stakeholders, in line with the Paris Declaration on Aid Effectiveness of 2 March 2005.

# Article 3. Concrete Areas of Cooperation in Countries or Major Agricultural Intensification Zones

- 3.1. In consultation with Governments and Development Partners, the Parties shall identify key areas, within agricultural intensification zones, where they can feasibly work together. This can be prepared in the form of country profiles or matrices country by country.
- 3.2. The Parties take note of the 13 preliminary country profiles already prepared.
- 3.3. Cooperation will initially target the characterization of major agricultural intensification zones and the identification of support interventions covering, for example, technology and knowledge, policy, input/output markets and value chain development, institutional, infrastructure and financing requirements to achieve a Green Revolution in these major agricultural intensification zones. The exercise may also include public/private partnerships.
- 3.4. The Parties commit to collaborate and work together in the identified major agricultural intensification zones in the selected countries on activities such as: joint assessments; activity design (for example: promoting new innovations, market access, improvements in the agricultural commodity chain, access to microfinance); safety net measures, risk mitigation activities, preparedness/early warning; food security improvement measures; capacity building (for example: for creating and managing farmers associations, improving farmers' skills, post harvest handling, quality control, access to market information, etc.); advocacy with governments, donors, regional institutions etc. on policies, practices of relevance; other areas of technical assistance.
- 3.5. The Parties shall review the concrete areas of cooperation on a regular basis.

# Article 4. Responsibilities of the Parties

- 4.1. Each Party should, as far as possible and in conformity with its mandate and the decisions of its competent governing bodies, work together to maximize the areas of complementarity that may exist.
- 4.2. Without prejudice to the generality of the previous paragraph:
  - a. AGRA will contribute to the development and the promotion of appropriate

- technologies, markets and institutions to stimulate productivity growth and supply response in the agreed zones within target countries;
- FAO will provide technical inputs in the area of agriculture, nutrition, forestry, fisheries, natural resources management and food security, and will promote or develop joint implementation partnerships through ongoing and planned programmes, including its support to national and regional food security programmes;
- c. IFAD will provide expertise and financial resources to activity design and implementation, through loans and grants to Governments, in support of the objective of this Memorandum of Understanding and country strategies within the context of IFAD's Results-based Country Strategic Opportunities Programme (COSOP);
- d. WFP, as a major buyer of food in Africa, will use this potential as an instrument to create incentive for farmers work; and will work on joint implementation partnerships to create enabling conditions for small-scale producers and food insecure farmers. WFP also will provide support to safety net, risk mitigation, preparedness/early warning, and food security improvement measures as mentioned in paragraph 3.4 above.
- 4.3. The Parties shall develop specific implementation arrangements in order to carry out the activities foreseen in this Memorandum of Understanding.

#### Article 5. Focal Points and Monitoring

- 5.1. In order to provide advice and follow-up on the implementation of this Memorandum of Understanding, each Party will appoint a focal point.
- 5.2. The focal points will be in contact periodically, through teleconference or by any other agreeable means.
- 5.3. The Parties will hold an annual review meeting, through teleconference or by any other agreeable means, to monitor and evaluate the programmes and projects under this Memorandum of Understanding.

#### Article 6. Use of Logos, Names

The Parties agree not to use in any press release, memo, report or other published disclosure related to this Memorandum of Understanding any of the other Parties' name and logo without prior written agreement by the Party concerned.

#### Article 7. Intellectual Property Rights

Intellectual property rights, in particular copyright, of material such as information, software and designs, made available by the Parties to be used to carry out the activities under this Memorandum of Understanding shall remain with the originating Party. Appropriate grants of rights for use of such materials will be further described as specific

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implementation arrangements anticipated by this Memorandum of Understanding are developed in accordance with Article 4.3.

## Article 8. Privileges and Immunities

Nothing in this Memorandum of Understanding or in any document or arrangement relating thereto shall be construed as constituting a waiver of privileges or immunities of any of the Parties, nor as conferring any privileges or immunities of a Party to the other Parties or their personnel.

#### Article 9. Applicable Law

The present Memorandum of Understanding and any document or arrangement relating thereto shall be governed by general principles of international law, to the exclusion of any single national system of law.

#### Article 10. Dispute Settlement

- 10.1. Any dispute between the Parties concerning the interpretation and the execution of this Memorandum of Understanding, or any document or arrangement relating thereto, shall be settled by negotiation between the parties to the dispute.
- 10.2. If the dispute involves one of the Rome-based United Nations institutions and AGRA and is not settled by negotiation between the parties to the dispute, it shall, at the request of a party to the dispute, be submitted to one conciliator. Should the parties to the dispute fail to reach agreement on the name of a sole conciliator, each party to the dispute shall appoint one conciliator. The conciliation shall be carried out in accordance with the Conciliation Rules of the United Nations Commission on International Trade Law, as at present in force.
- 10.3. Any dispute between one of the Rome-based United Nations institutions and AGRA that is unresolved after conciliation shall, at the request of a party to the dispute, be settled by arbitration in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law, as at present in force. The arbitral tribunal shall have no authority to award punitive damages.
- 10.4. The conciliation or the arbitration proceedings shall be conducted in any languages which is common to the parties to the dispute.
- 10.5. The parties to the dispute may request conciliation during the execution of the Memorandum of Understanding and anyway not later than twelve months after the expiry or the termination of the Memorandum of Understanding. The parties to the dispute may request arbitration not later than ninety days after the termination of the conciliation proceedings.
- 10.6. Any arbitration award rendered in accordance with the provisions of this paragraph shall be final and binding on the parties to the dispute.

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#### Article 11. Confidential Information

None of the Parties nor their personnel shall communicate to any other person or entity any confidential information made known to it by the other Parties during the course of the implementation of this Memorandum of Understanding. This provision shall survive the expiration or termination of this Memorandum of Understanding.

#### Article 12. Modification

This Memorandum of Understanding may be modified by written agreement between the Parties.

#### Article 13. Entry into Force

This Memorandum of Understanding shall come into force on the day of receipt of the last notification by a Party of the completion of its relevant internal procedures.

#### Article 14. Withdrawal and Termination

14.1. Any Party may at any time notify the other Parties in writing of its withdrawal from this Memorandum of Understanding. The withdrawal shall take effect two months from the date of receipt of the notification. In case of withdrawal the Parties will agree on measures required for the orderly conclusion of ongoing activities.

14.2. Upon withdrawal of a Party, the remaining Parties shall decide on the continuation or termination of this Memorandum of Understanding.

Rome, 4 June 2008

Jacques Diouf, Director-General, FAO

Lennart Båge, President, IFAD

Signature

Signature ...

signed on his behalf by Kanayo Nwanze, Vice President, IFAD

Signature

Josette Sheeran, Executive Director, WFP

Kofi A. Annan, Chairman of the Board, AGRA