

conference

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FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS ROME

Twenty-sixth Session

Rome, 9 - 28 November 1991

COOPERATION AGREEMENT BETWEEN THE AFRICAN DEVELOPMENT BANK (ADB)
THE AFRICAN DEVELOPMENT FUND (ADF) AND
THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)

1. At its Forty-ninth Session (October 1967), the Council adopted Resolution 1/49 approving a Memorandum of Understanding between FAO and the African Development Bank (ADB) setting forth the scope, nature and financing arrangements for cooperative activities between FAO and the ADB. This Memorandum of Understanding was subsequently confirmed by the Conference at its Fourteenth Session (November 1967) by Resolution 19/67. The Memorandum of Understanding took effect on 1 June 1968.
2. Since concluding the Memorandum of Understanding with ADB, FAO has considerably expanded its cooperation with regional and sub-regional development banks and other financing institutions, consequently the Director-General considered it desirable for FAO to harmonize and bring up to date its earlier arrangements for cooperation with financing institutions. The Director-General's policy was endorsed by the Programme Committee at its Thirty-sixth Session in May 1979 and by the Council at its Seventy-fifth Session.
3. A New Memorandum of Understanding was approved by the Council at its Seventy-eighth Session (November-December 1980). The salient features of that Memorandum of Understanding, as compared with that of 1968, were as follows:
 - (i) inclusion of the African Development Fund as a party to the Memorandum of Understanding;
 - (ii) withdrawal of FAO staff from the FAO/ADB desk at the Bank's headquarters in Abidjan;
 - (iii) new cost-sharing arrangements.
4. Cooperation between the two organizations grew steadily during the 1980s, with FAO preparing between one-third and one-half of ADB's agricultural lending. During the second half of the decade, there has been some decline in the share of ADB agricultural lending prepared by FAO due to a significant shift in ADB lending from projects to the co-financing, with the World Bank, of structural adjustment operations. The overall volume of work carried out by FAO on behalf of ADB remained roughly constant, however.

5. Beginning in October 1987, the Organization undertook exploratory discussions with the African Development Bank with a view to revising the existing 1981 Memorandum of Understanding.
6. The main reason for seeking a new instrument was, on FAO's side, the wish to bring the Memorandum of Understanding in line with changes made in agreements with other financing institutions (IFAD and UNCDF for instance), in particular with respect to cost-sharing arrangements: rather than having different cost-sharing ratios for different types of work, a uniform cost-sharing formula is introduced which is neutral, in the aggregate, with respect to the relative shares borne by ADB and FAO, respectively, but provides an incentive for ADB to use FAO services for a broader spectrum of activities. The Cooperation Agreement, which lays down the principles of cooperation between FAO and ADB/ADF, will be complemented by a Memorandum of Understanding on Working Arrangements which will define the concrete working arrangements between the above institutions.
7. The purpose of the attached Cooperation Agreement is to further strengthen, foster and consolidate the cooperative programme existing between the Bank, the Fund and FAO and to create a proper framework through which assistance may be channelled in an effective manner to member countries in the Region.
8. The Director-General submitted to the Ninety-ninth Session of the FAO Council (June 1991) a draft of the proposed Cooperation Agreement with the African Development Bank and the African Development Fund (see paragraphs 249 to 252 of the Report of the Ninety-ninth Session of the Council).
9. The Council considered the proposed Agreement with the African Development Bank (ADB) and the African Development Fund (ADF) as set out in the Report of the Fifty-sixth Session of the Committee on Constitutional and Legal Matters (CCLM) (Document CL 99/5). It endorsed the view expressed by the CCLM "that it would be desirable to strengthen, foster and consolidate the cooperative programme existing between the Bank and the Fund on the one hand and FAO on the other hand to create a proper framework through which assistance might be channelled in an effective manner to member countries in the Region".
10. The Council approved the Cooperation Agreement with a view to signature by the Director-General, subject to confirmation by the Conference in accordance with Rule XXIV.4(c) of the General Rules of the Organization. The Council expressed the hope that the Agreement would be signed quickly after the Conference and that full implementation would take place as soon as possible thereafter. Upon its signature by the contracting parties, the Cooperation Agreement will replace the 1981 Memorandum of Understanding.
11. In accordance with the provisions of Rule XXIV.4(c) of the General Rules of the Organization, the Agreement, the text of which is appended hereto, is being submitted to the Conference for confirmation.

COOPERATION AGREEMENT BETWEEN THE AFRICAN DEVELOPMENT BANK
AND THE AFRICAN DEVELOPMENT FUND AND THE
FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS

THE COOPERATION AGREEMENT (hereinafter referred to as "the Agreement") is entered into this day of by and between the African Development Bank (hereinafter referred to as "the Bank"), the African Development Fund (hereinafter referred to as "the Fund"), of the one part, and the Food and Agriculture Organization of the United Nations (hereinafter referred to as "FAO"), of the other part;

RECALLING the provisions of the Memorandum of Understanding concluded on 28 August 1981 between the Bank, the Fund and FAO on cooperation in the provision of assistance in the field of agricultural development to the African countries having common membership in the Bank and FAO (hereinafter referred to as "Regional Member Countries");

DESIROUS of revising the aforesaid Memorandum of Understanding with the aim of further strengthening, fostering and consolidating their cooperative programme and creating a proper framework through which assistance may be channelled in an effective manner to Regional Member Countries;

HAVE AGREED AS FOLLOWS:

ARTICLE I

Purpose

The purpose of this Agreement shall be to provide an expanded framework of cooperation and facilitate collaboration between the parties hereto in providing assistance to Regional Member Countries in investment-related activities and in other areas of cooperation in the agricultural sector having regard to the respective objectives and functions of the parties.

ARTICLE II

Areas of Cooperation

The parties hereto agree to cooperate in the following areas of activity and in such other related activities as may be mutually agreed upon from time to time:

A. Investment Related Activities:

- (i) identification, preparation and appraisal of agricultural projects and programmes sponsored by the Bank or the Fund in Regional Member Countries;
- (ii) supervision of on-going agricultural development projects and programmes and post-evaluation of completed projects and programmes, financed by the Bank or the Fund;
- (iii) undertaking sectoral and other economic and technical studies, particularly those concerning the assessment of performance and development potential in the agricultural sector and the improvement of project generation capacity of Regional Member Countries;

B. Other Activities

- (i) participation in the financing of agricultural-technical assistance projects and programmes in Regional Member Countries and/or identification of complementary sources of finance;
- (ii) assistance by FAO in the planning, organization and implementation of agricultural projects and programmes sponsored by the Bank or the Fund, through the provision of physical facilities and technical services;
- (iii) engaging in dialogue with Regional Member Countries with a view to assisting them in agricultural planning and in formulating policies and strategies aimed at accelerating agricultural development;
- (iv) training of professional and technical personnel of Regional Member Countries, as well as organizing and conducting orientation courses, research, seminars, workshops and symposia related to matters of common interest.

ARTICLE III

Consultation and Exchange of Information

1. The parties to this Agreement shall, on a regular basis, keep each other informed of their respective sectoral priorities, policy approaches and periodic activity programmes and, where necessary, consult on matters of common interest which in their opinion are likely to lead to mutual collaboration.

2. The parties hereto shall, at such intervals as they deem fit, convene meetings to agree on programmes of activities, the means and responsibilities for carrying out and managing such activities and to review progress of activities being carried out under the present Agreement.

3. Consultation and exchange of information and documents under this Article shall be without prejudice to arrangements which may be required to safeguard the confidential and restricted character of certain documents and information.

ARTICLE IV

Reciprocal Representation

The parties to this Agreement shall make the necessary arrangements for ensuring reciprocal representation at appropriate meetings or conferences convened by them or under their respective auspices and in which, in the opinion of either party, the other may have an interest, subject to such procedures as may be applicable to the respective meeting or conference.

ARTICLE V

Implementation of the Agreement

The President of the Bank and the Fund and the Director-General of FAO shall make the working arrangements necessary for ensuring the satisfactory implementation of this Agreement.

ARTICLE VI

Financial Provision

Costs or expenses relating to, or arising from, an activity undertaken pursuant to this Agreement shall be borne by one or both of the parties in accordance with an agreement previously reached by the parties in regard to the activity concerned.

ARTICLE VII

Duration

1. The present Agreement shall be concluded for an indefinite period; it being understood that each party shall have the right to terminate it at any time by giving a six months' advance notice to the other party;

2. In the event of termination of the Agreement pursuant to paragraph 1 of this Article, necessary steps shall be taken by the parties to ensure that such decision is not prejudicial to any activities then in progress within the framework of this Agreement.

ARTICLE VIII

Supplementary Arrangements and Amendment

1. The parties may enter into such supplementary arrangements or agreements within the scope of this Agreement as may be appropriate.
2. The provisions of the present Agreement shall be reviewed when so requested by either party and may be amended at any time by the mutual written agreement of the parties.

ARTICLE IX

Notices and Addresses

Any notice or request required or permitted to be given or made under this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, mail, telex, cable or telefax to the party to which it is required to be given or made at the address specified below or such other address as shall be hereafter notified:

For the Bank and the Fund: Mail Address:

African Development Bank
African Development Fund
01 BP 1387
ABIDJAN 01
Côte d'Ivoire
Cable Address: AFDEV ABIDJAN
Telex: 23717/23498
Telefax: (225)227004/331917

For FAO

Mail Address:

Food and Agriculture Organization
of the United Nations
Viale delle Terme di Caracalla
00100 Rome
ITALY
Cable Address: FOODAGRI ROME
Telex Address: 610181 FAO I
Telefax: 57973152

ARTICLE X

Entry into Force

1. This Agreement shall enter into force upon signature thereof by the President of the Bank and the Fund and the Director-General of FAO.
2. Upon its entry into force, the present Agreement shall supersede the Memorandum of Understanding concluded between the parties on 28 August 1981; it being understood that all commitments entered into prior to the effective date of this Agreement shall, notwithstanding the foregoing, be governed by the said Memorandum of Understanding.

IN WITNESS WHEREOF the Bank, the Fund and FAO each acting through its duly authorized representative, have signed this Agreement on the date first above written in two original texts, in the English and French languages, each text being equally authentic.

FOR THE AFRICAN DEVELOPMENT BANK
AND THE AFRICAN DEVELOPMENT FUND

FOR THE FOOD AND AGRICULTURE
ORGANIZATION OF THE UNITED NATIONS
