

# **INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)**

## **Support to NEPAD**

**Period of Report: August 2004 to April 2005**

Since its establishment in 1977, the International Fund for Agricultural Development (IFAD) has been involved with funding agricultural and rural development in developing countries, particularly in Africa.

### **IFAD's support to NEPAD**

IFAD has identified national and regional priority sectors within its ongoing lending programme - for example, rural infrastructure, rural finance and technology transfer - and supports their promotion through highly concessionary loans and grants. About 50% of IFAD's lending programme is devoted to African countries. Furthermore, continuous efforts are being made to mobilise additional resources to support stakeholder dialogue/involvement as well as the NEPAD Secretariat's activities in the formulation of regional programmes.

IFAD's most significant contribution to the NEPAD process is enabling major stakeholders advocating for the rural poor, particularly national, and regional Farmer Organisations (FOs) as well as International Governmental Organisations (IGOs), to play a more proactive role in supporting the process. IFAD's support focuses at strengthening their capacity to contribute to agricultural policy formulation and enabling them to add grassroots input to the African consultative forums on agriculture and rural development.

Regional consultations took place in 2003, and a continental synthesis workshop was held in Johannesburg in February 2004. A key outcome of the workshop was the FOs commitment to continue supporting the NEPAD agenda by further organising the provision of grassroots inputs to the regional, sub-regional and national levels.

At the same time, IFAD provided technical and financial support to the AU in preparing the Extraordinary Summit of Heads of State and Government on Agriculture and Water, held in Sirte, Libya, in February 2004.

In February 2005, a Farmers' Forum organised by IFAD in Rome in February 2005 enabled African FOs to connect and interact with their counterparts from other continents and thus strengthen their capacity in view of common strategic issues at the global level.

**A Memorandum of Understanding between IFAD and NEPAD**, to collaborate in organising stakeholder dialogue as well as participatory project design, has been signed on 28 June 2004. To help the NEPAD Secretariat access and use the contributions from the African Civil Society, IFAD has prepared a **Support Programme** for partnership building and collaboration with civil society, including farmers' organisations, the private sector and other key stakeholders in participatory programme inception and design. More specifically, this programme consists of the

provision of technical assistance in organising the participatory design of selected agricultural projects. In addition, the concrete outputs in the form of projects and programmes will help expand the institutional framework for the implementation of NEPAD-sanctioned projects and programmes.

These activities are backed by thematic studies, for example on innovative approaches for agricultural water use, on competitiveness of agricultural products and access to markets, on rural finance, as well as on empowerment of the rural poor through community-based participatory approaches or farmer field schools.

### **Collaboration with other UN agencies in support of NEPAD**

During the time under review, IFAD continued to collaborate closely with the other UN agencies and other core partners in the NEPAD-led CAADP Support Group (FAO, WFP, AfDB, WB, UNECA, UNIDO, etc.), particularly benefiting from the well-established traditional working relationship with the other two Rome-based agencies, which are meeting regularly to share information and coordinate their activities.

In this context, IFAD has collaborated with FAO and WFP in preparing, under the auspices of the African Union and NEPAD, the report on Food Security in Africa, in response to the request from the Summit of the Heads of State and Government of the AU, held in Abuja, Nigeria in January 2005.

In support of the objectives of CAADP, IFAD has been working with the NEPAD Secretariat, the African Development Bank, FAO, IWM and the World Bank on a Collaborative Programme entitled “Investments in Agricultural Water Management in Sub Saharan Africa: Diagnosis of Trends and Opportunities”. The Programme is expected to contribute to enhancing the quality of government investment strategies for agricultural water management, improving the sector portfolios of the three lending institutions involved, and catalysing increased investment by a wider group of potential partners, including multilateral and bilateral donors, the private sector and farmers. The members are expected to produce a major publication, synthesising their findings, later in 2005.

In addition to the coordinated approach to wider strategic programmes and initiatives, close partnership links also exist in the field, and there are many linkages to other UN agencies at the country, programme and project levels.

### **Financial support for NEPAD programmes and projects**

Resources approved in 2004 amounted to USD 180 million of loans to African countries and USD 13 million of grant resources, supporting agricultural research, environmental impact assessment, training, rural poverty assessment studies and community development at country and regional levels. In April 2005, out of 199 ongoing IFAD supported projects worldwide, 97 were carried out in Africa, representing 47% of IFAD's overall current financing.

In addition, from August 2004 till April 2005, IFAD, in partnership with the Italian Government, has mobilised about USD 250,000 in funding for activities to support

the NEPAD Secretariat, in particular (i) technical assistance to the NEPAD Secretariat in cooperating with Farmers' Organisations, (ii) facilitation of consultations between Farmers' Organisations to prepare CAADP Regional Implementation Planning meetings in the various regions, and (iii) financial support and technical meetings related to concrete NEPAD initiatives.

In addition, IFAD is committed to supporting a series of Regional Conferences on Agricultural Successes organised by NEPAD and several partners. Initially, IFAD contributed to the Conference for the IGAD region, which took place in Nairobi, Kenya, from 22 to 26 November 2004. IFAD's contribution was both financial and technical, as two papers on successful approaches in empowering rural poor populations were presented.

### **Institutional support to the NEPAD Secretariat**

Institutional support to the Secretariat was provided from September 2004 until January 2005 through the provision of an IFAD-financed Rural Development Specialist responsible for fostering cooperation between NEPAD and Farmers' Organisations in programme formulation and implementation. This was a crucial input that allowed the concerns of smallholder farmers to be taken into account by the CAADP-NEPAD consultative process and to expand the institutional framework for the implementation of NEPAD projects and programmes. Future support will be provided in relation to concrete initiatives as the need arises.

### **Advocacy work in support of African development**

Being the only international organisation with the unique mandate to fight rural poverty worldwide, IFAD pursues its duty to advocate for the rural poor wherever possible. For example, the President of IFAD participated in the AU Heads of State and Government Summit in Abuja, January 2005, and at the high-level conference "Dakar Agricole" in February 2005 organised by the Government of Senegal. Most recently, IFAD's Vice-President attended the High-Level G8-NEPAD meeting on CAADP Implementation in Accra.

Beside the continuous efforts of IFAD staff to pronounce the needs and views of the rural poor at all possible levels and the use of media, IFAD is also facilitating and strengthening the advocacy role of the organisations representing the rural poor in Africa. To this end, the support to NEPAD is strongly focused on mediating and improving the effectiveness of Farmers' Organisations' advocacy for their constituencies.

### **Outlook**

Critical conditions to allow for stronger Farmers' Organisations' involvement are political goodwill, readiness to involve Farmers' Organisations in the implementation of the CAADP Action Plan, availability of funds to support farmers' initiatives at all different levels, and the assistance of regional professionals and institutions on technical matters pertaining to agriculture. The collaboration between Farmers' Organisations, the NEPAD Secretariat and national governments will be further pursued and strengthened through IFAD's programmes within the framework of

NEPAD countries' poverty reduction strategies as well as through assistance to regional organisations. At the same time, continued support would be required from development partners to support the empowerment of Farmers' Organisations (at all levels), enabling them to continue their participation in the NEPAD activities.

IFAD is committed to support the advancement of regional integration, the success of which is exemplified by ECOWAS' common agricultural policy. IFAD is providing support to regional integration and policy development through contributing to the rural policy hub located in Dakar, Senegal, which aims at strengthening the capacities in the agricultural and rural sectors in Western and Central Africa.

FAO is exploring opportunities to cooperate on improving post-harvest processing and market access in the context of the Pan African Cassava Initiative, within the framework of CAADP.