

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)

Support to NEPAD

Period of report: April 2003 - March 2004

IFAD and its support to African development

Since its creation in 1977, the International Fund for Agricultural Development (IFAD) has been involved with funding agricultural and rural development in developing countries, particularly in Africa. From the initial onset, Africa has been a key priority for IFAD. By the end of 2003, African countries had received IFAD loans totalling approximately USD 3.6 billion, to finance 317 projects in 51 countries. Out of 199 current IFAD-supported projects worldwide (those of which are still ongoing), 97 are carried out in Africa, representing 47 per cent of IFAD's overall current financing. Moreover, in 2003, the largest share of IFAD annual lending (52 per cent) was approved for African countries. IFAD has also been providing grants to countries and institutions in the African region that are supporting agricultural research, environmental impact assessment, training, rural poverty assessment studies and community development.

Summary of IFAD's support to NEPAD

Its mandate being to enable the rural poor to overcome their poverty, IFAD supports the NEPAD process at policy and technical levels. Generally, IFAD support to Africa has been taking the following forms:

At country level assistance in strategic planning, policy dialogue and lending programmes aimed at tackling the issue of rural poverty in Africa;

At sub-regional and regional levels: support to inter-governmental organisations (IGOs) and other regional and sub-regional institutions on policy dialogue and similar consultations. This also involves provision of grants to African research institutions as well as support to civil society organisations (CSOs) and other stakeholders involved in the NEPAD process; and

At the continental level: support to the NEPAD Secretariat. As a member of the Comprehensive African Agricultural Development Programme (CAADP) Support Group, IFAD participated in a number of recent consultations in support to NEPAD and other related initiatives. IFAD is recruiting and seconding a long-term technical advisor to assist the NEPAD Secretariat on issues of relevance to rural poverty in Africa.

IFAD's contribution to the NEPAD process is to ensure the participation of key stakeholders advocating for rural poor and particularly farmers' organisations (FOs) and IGOs. The aim is to strengthen FOs and IGOs' capacity for dialogue on issues touching rural poverty, agricultural and rural development policies so that they can contribute to African consultative fora on issues related to agricultural and rural development in Africa. In this framework, IFAD assisted Réseau des Organisations Paysannes et de Producteurs d'Afrique de l'Ouest – West African Farmers and Producers Network (ROPPA) and their counterparts in Eastern and Southern Africa and in Central Africa, in facilitating

three regional consultations in the Southern African Development Community (SADC), Economic Community for West African States (ECOWAS), Economic Community for Central African States (ECCAS) and the Inter-Governmental Authority for Development (IGAD)/COMESA regions. These consultations were held in June/July 2003 and were meant to analyse existing reports pertaining to the NEPAD agricultural component. Within this framework, the FOs prepared and presented their vision of NEPAD agriculture at a (fourth) synthesis workshop held in Johannesburg in February 2004. Key outcome of the workshop was FOs commitment to continue supporting the NEPAD agenda by organising themselves at different levels. These broad-based sub-regional consultations constitute a valuable input in the formulation of a common African vision and perspectives on the way forward. This represents efforts to more systematically bring grassroots perspectives into the NEPAD process, and to serve as part of a series of building blocks to bring NEPAD's vision to regional, sub-regional and national levels.

IFAD is pursuing the development of thematic studies on innovative approaches for water use in agriculture, competitiveness of agricultural products and access to markets as well as on approaches to rural finance. In particular, IFAD intends to support the development of specific approaches for financing rural development, whether it relates to financial services for agricultural development and income generating activities, savings schemes, or local development.

To help the NEPAD Secretariat to access and use the contributions from African CSOs, IFAD has prepared a Support Programme for partnership building and collaboration that includes FOs, the private sector and other key stakeholders. More specifically, this programme consists in the provision of technical assistance for

participatory design of selected agricultural projects. Besides the concrete outputs in the form of projects and programmes for the mobilization of resources, this will help to expand the institutional framework for the implementation of NEPAD-sanctioned projects and programmes.

IFAD disbursed US\$500,000 in 2002 and 2003 to support West African IGOs and CSOs in the NEPAD process. Another US\$540,000 has been committed from 2004 to further strengthen FOs' capacity. The (direct) support to the NEPAD Secretariat will require a minimum of US\$250,000 during the first year, starting June/July 2004 (recruitment/secondment of a Technical Adviser). Also, efforts will be made to mobilise additional funding to support the Secretariat's activities in the formulation of regional programmes and stakeholder dialogue/involvement.

A Memorandum of Understanding (MoU) between IFAD and NEPAD has been signed on 28 June 2004. This MoU is to strengthen IFAD/NEPAD cooperation and covers technical assistance and other consultative means in support to NEPAD and Africa.

Outlook

From 2003, significant progress has been achieved in clarifying the roles of NEPAD's stakeholders. The importance and success of this process and the commitment of partners to cooperate is paving the way for providing more substantive support to the NEPAD Secretariat. IFAD will pursue its endeavors to strengthen these ties with the NEPAD Secretariat.