



Executive Board

Thirty-First Session

Rome, 8 - 11 September 1987

Agenda Item 9

REPORT ON THE PROMOTION OF FURTHER COOPERATION WITH  
NON-GOVERNMENTAL ORGANISATIONS

I. Introduction

1. The Executive Board, at its Thirtieth Session in April 1987, considered document EB 87/30/R.23 on The Establishment of a Special Funding Mechanism (SFM) for Cooperation with Non-governmental Organizations (NGOs). Upon concluding its review of the proposals therein, the Board decided:

- (a) to support the development of cooperation with NGOs along the lines and for the purposes outlined in document EB 87/30/R.23;
- (b) to request the President and the Secretariat to examine, and to produce further proposals on, the procedures required in order to permit the allocation of a limited amount of the Fund's technical assistance resources for the purpose of achieving the objective in sub-paragraph (a) above;
- (c) to authorize the President to investigate if there would be interest on the part of some potential donors to produce accompanying sources of financing in order to give the maximum impact to this new policy; and
- (d) to request the President to report back to the Board on the results achieved under sub-paragraphs (a), (b) and (c) above.

II. Planned Activities with NGOs

2. In effect, the Executive Board's decision, at its Thirtieth Session, was that no form of Special Financing Mechanism should be established. However, the Board did welcome an extension of IFAD's cooperation with NGOs along the lines proposed in document EB 87/30/R.23, which would be financed out of IFAD's Regular Resources together with such voluntary contributions that individual donors might wish to make. In this context, this expanded effort of collaboration with NGOs will now be called the IFAD/NGO Extended Cooperation Programme (ECP).

3. As proposed in document EB 87/30/R.23, IFAD's ongoing cooperation with NGOs would be extended to include NGOs undertaking various types of pilot activities, which could serve as a basis for potential subsequent investment programmes by the Fund. This approach will, in addition, promote the establishment of a more sustained relationship with selected NGOs which have the capacity to contribute to the greater effectiveness of IFAD project design and implementation. Finally, this arrangement could develop as a repository of relevant experience in research and experimentation in project issues, which in turn could assist in the improved understanding of the issues of technical adaptation and feasibility for replication.

4. These activities would centre on building knowledge and background information for ongoing or future IFAD projects, through the organisation of pilot activities, and would be additional to other continuing forms of cooperation between IFAD and NGOs. These pilot activities should have the potential for laying the ground for future IFAD investment or supporting ongoing investment activities through such activities as:

- (a) Testing new technologies which have special advantages to the poorest people, who are the planned beneficiaries of IFAD projects.
- (b) Testing new institutional approaches in the various sectors and sub-sectors in which IFAD is concerned in order to ascertain their relevance, acceptability and durability. To reach the rural poor more effectively often requires new institutional mechanisms in areas such as rural credit, technology adaptation and in-farming systems, among others, and adequate field level testing is therefore often an important pre-condition for their wider adoption.
- (c) Training programmes for beneficiaries and for extension personnel for the improved management of their resources through more effective systems of organisation, such as farmers' groups, water users' associations and other forms of grassroot networks.

### III. Finance

5. The resources to finance the activities envisaged in paragraph 4 above would be drawn from the grant resources available under the regular Programme of Work, within limits approved by the Executive Board. These resources may be supplemented by special contributions, as described below, which may be made by donor Members. In view of the overall financial constraints and cash flow preoccupations, it is proposed that initially US\$ 350 000 be earmarked annually for the ECP, within the ceiling imposed by the annual Programme of Work for technical assistance grants, for use in accordance with the following guidelines:

- (a) That the President would be authorized to provide grants up to a maximum amount of US\$ 75 000 for the support of activities

with NGOs set out in sub-paragraphs 4(a), (b) and (c) above, provided that the government of the country to host the project has consented to the above-mentioned activities and that the NGO concerned will provide sufficient material or financial support for the project.

(b) That donors (including Member States, Non-Member States and other sources) may make financial arrangements for the above-mentioned activities in any of the following ways:

(i) The provision of funds without restriction, other than that they will be used for any of the purposes indicated in paragraph 4 above or for a particular type of activity or activities without the specification of particular countries or NGOs, to supplement the IFAD resources employed. The President would be authorized to conclude such agreements as may be required.

(ii) The provision of funds for a specific project, which would supplement those IFAD resources to be employed therefor. The President would be authorized to conclude such agreements as are required with the donors and NGOs concerned, after consultation with the governments to host the activities.

(iii) Cofinancing agreements between an NGO and a donor for a particular project, which would be supervised by IFAD, for the purposes set out in paragraph 4 above.

(c) The President will periodically report to the Executive Board on all grants and financing agreements mentioned above.

6. The President would establish internal procedures for determining the means by which NGO proposals for financing only under the ECP would be solicited, reviewed, appraised, approved and supervised. In this regard, it should be noted that in the light of the relatively small size of the grants to be made available, arrangements for supervision would be of a singular nature and would not use cooperating institutions, as is the case for the supervision of IFAD loan activities.

7. The President would report periodically to the Board on the implementation of the ECP and the impact which it may have on the programming of IFAD's Regular Resources.

#### IV. Recommendations

8. In the light of the above, the Executive Board is requested to approve the following:

(a) The President of the Fund, for the financing of the activities under the IFAD/NGO Extended Cooperation Programme (ECP) listed in paragraph 4 above, is authorized to approve grants from the

Fund's Regular Resources allocated for the purpose of financing technical assistance grants, provided that the host Member concerned has consented to the activity to be financed and the non-governmental organisation concerned has provided or has confirmed that it will provide appropriate material or financial support for the effective and successful implementation of the project;

- (b) Any single grant to be approved by the President under paragraph (a) above shall not exceed US\$ 75 000;
- (c) The President of the Fund is further authorized to conclude, after consultation with the Government hosting the activity, the donors and the non-governmental organisations involved, such arrangements as he may consider appropriate to accomplish the objectives of the ECP, as set forth in this document; and
- (d) The President of the Fund is requested to report periodically to the Executive Board on all such arrangements concluded in accordance with paragraph (c) above and on the implementation of the ECP and the impact thereof on the programming of IFAD's Regular Resources.

