

Recalling resolution XIII of the World Food Conference which recognized:

- (i) the need for a substantial increase in investment in agriculture for increasing food and agricultural production in the developing countries;
- (ii) that provision of an adequate supply and proper utilization of food are the common responsibility of all members of the international community; and
- (iii) that the prospects of the world food situation call for urgent and co-ordinated measures by all countries;

and which resolved:

that an International Fund for Agricultural Development should be established immediately to finance agricultural development projects primarily for food production in the developing countries;

The Contracting Parties have agreed to establish the International Fund for Agricultural Development, which shall be governed by the following provisions:

ARTICLE 1

Definitions

For the purposes of this Agreement the terms set out below shall have the following meaning, unless the context otherwise requires:

- (a) "Fund" shall mean the International Fund for Agricultural Development;
- (b) "food production" shall mean the production of food including the development of fisheries and livestock;
- (c) "State" shall mean any State, or any grouping of States eligible for membership of the Fund in accordance with Section 1 (b) of Article 3;
- (d) "freely convertible currency" shall mean:
 - (i) currency of a Member which the Fund determines, after consultation with the International Monetary Fund, is adequately convertible into the currencies of other Members for the purposes of the Fund's operations; or
 - (ii) currency of a Member which such Member agrees, on terms satisfactory to the Fund, to exchange for the currencies of other Members for the purposes of the Fund's operations.