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**INTERNATIONAL LABOUR ORGANISATION
and
AFRICAN DEVELOPMENT BANK**

Agreement on collaboration (with memorandum of understanding and appendix). Signed at Abidjan on 18 April 1977

Authentic texts: English and French.

Filed and recorded at the request of the International Labour Organisation on 11 May 1977.

**ORGANISATION INTERNATIONALE DU TRAVAIL
et
BANQUE AFRICAINE DE DÉVELOPPEMENT**

Accord de collaboration (avec mémorandum d'entente et annexe). Signé à Abidjan le 18 avril 1977

Textes authentiques : anglais et français.

Classé et inscrit au répertoire à la demande de l'Organisation internationale du Travail le 11 mai 1977.

AGREEMENT¹ BETWEEN THE INTERNATIONAL LABOUR ORGANISATION AND THE AFRICAN DEVELOPMENT BANK

The International Labour Organisation (hereinafter referred to as the ILO) and the African Development Bank (hereinafter referred to as the ADB),

1. Desirous of contributing to the achievement of the objectives which they have in common, and more particularly to the promotion in Africa of vocational training, management development, manpower planning and organisation, industrialisation and productive and full employment,

2. Conscious of the urgent need to improve conditions of life and work in Africa with a view to raising the standards of living of the African people, and

3. Further conscious of the desirability of promoting to this end a closer relationship between preinvestment and investment activities,

Have agreed on the following:

Article I. PURPOSE

The purpose of the present Agreement is to facilitate collaboration between the ILO and the ADB in matters of common interest to them and particularly in the following activities:

- (a) studies on matters within the competence of the ILO which the ADB may need from time to time;
- (b) identification of projects considered suitable for financing by the ADB;
- (c) assistance to Governments in the preparation of such projects;
- (d) study of requests for projects to be financed by the ADB;
- (e) technical assistance within the competence of the ILO as may be required for the implementation of ADB projects; and
- (f) evaluation and appraisal of the results achieved through projects financed by the ADB and suggestions for possible follow-up action;
- (g) mutual co-operation in all other aspects which are consistent with the objectives of both organisations and the spirit of this Agreement.

All collaboration in the above-mentioned fields of activity between ILO and ADB shall be effected in such a way as to add to, complement or enhance similar regional or international efforts.

Article II. MUTUAL CONSULTATION

The ILO and the ADB will consult whenever found necessary on matters of common interest for the purpose of furthering the effective achievement of the objectives they have in common; and to ensure the greatest possible co-ordination of activities with a view to utilising to the full the resources of the two organisations.

Article III. EXCHANGE OF INFORMATION

1. The ILO and the ADB will combine their efforts to use their statistical, legislative information and other data to the best effect, by collection, analysis, publication and diffusion of such information and data, subject to such arrange-

¹ Came into force on 18 April 1977 by signature, in accordance with article VII (1).

ments as may be necessary for safeguarding the confidential character of any part thereof.

2. The ILO will be kept informed by the ADB of developments in the work of the latter which are of interest to the ILO. Likewise the ADB will be kept informed by the ILO of development in the work of the latter which are of interest to the ADB.

3. Subject to such arrangements as may be necessary for the safeguarding of confidential material, the fullest and promptest exchange of information and documents concerning activities and matters of common interest will be made between the ILO and the ADB.

Article IV. FINANCIAL PROVISIONS

1. The ADB shall assume responsibility for the following expenses:

- (a) international and local travel costs and subsistence allowance of personnel provided or recruited by ILO under this agreement in connection with preparation, appraisal or follow-up missions mounted by the ADB;
- (b) fees or salaries of consultants or additional staff recruited for such missions by ILO at the request of ADB;
- (c) secretariat services and office space for such personnel.

2. For activities undertaken by the ILO in relation to preparation, appraisal or follow-up missions, the ADB shall assume responsibility for the following expenses:

- (a) expenses incurred in the identification of projects undertaken at the request of the ADB;
- (b) expenses incurred in studies within the competence of the ILO, but undertaken at the request of the ADB; and
- (c) the cost of publication of such studies.

3. ADB's contribution to ILO programme support costs (overhead) in respect of preparation, appraisal or follow-up missions shall be limited to the payments provided in paragraphs 1 and 2 of this Article.

4. The ADB shall assume responsibility for all expenses entailed in the technical assistance necessary for the implementation of projects financed by it. These expenses shall include a contribution to programme support costs (overhead) incurred by ILO in arranging and providing such assistance: the amount shall be agreed between the ILO and the ADB and shall be included in the project budget.

5. If compliance with a request for assistance made by either organisation to the other would involve substantial expenditure for the organisation to which the request is addressed, the agreement of that organisation shall be obtained prior to the project being undertaken.

Article V. RECIPROCAL REPRESENTATION

For the purpose of furthering the effective accomplishment of their common objectives in Africa, the ILO will invite the ADB to be represented at meetings of the International Labour Conference and at such other meetings within or particularly concerning the African Region, convened under its aegis. Similarly, the ADB will invite the ILO to be represented at meetings of the Board of Governors of the ADB and at such other meetings of interest to the ILO convened under the aegis of the ADB.

Article VI. ADMINISTRATIVE ARRANGEMENTS

The Director-General of the International Labour Office and the President of the African Development Bank will make appropriate administrative arrangements to ensure effective collaboration and liaison between the staff of the two organisations.

Article VII. ENTRY INTO FORCE, MODIFICATION AND DURATION

1. The present Agreement will enter into force from the date on which it is signed by the authorised representatives of the ILO and the ADB.
2. The Agreement may be modified with the consent of the two parties.
3. Either of the parties may denounce the Agreement by giving six months' notice to the other party.

IN WITNESS WHEREOF, the President of the African Development Bank, duly authorised by the Board of Governors of the African Development Bank, and the Assistant Director-General (Treasurer and Financial Comptroller) of the International Labour Office, duly authorised by the Director-General under authority of the Governing Body of the International Labour Office, sign the present Agreement in duplicate in both English and French, both texts being equally authoritative.
Abidjan, 18th April 1977.

For the African Development Bank:

[Signed]
Dr. KWAME D. FORDWOR
President

For the International
Labour Organisation:

[Signed]
PATRICK M. C. DENBY
Assistant Director-General
Treasurer and Financial Comptroller

MEMORANDUM OF UNDERSTANDING ON WORKING ARRANGEMENTS
BETWEEN THE INTERNATIONAL LABOUR OFFICE AND THE AFRICAN
DEVELOPMENT BANK/AFRICAN DEVELOPMENT FUND

Article 1. PURPOSE

The purpose of the present memorandum is to establish working arrangements, as envisaged by the Agreement between the International Labour Organisation and the African Development Bank for the cooperation between the International Labour Office (herein referred to as ILO) and the African Development Bank and the African Development Fund (herein collectively referred to as ADB). These arrangements shall also apply to any Funds administered by the ADB which may be available for such cooperation.

Article 2. SCOPE

(a) The ADB and the ILO shall cooperate to provide assistance to countries of common membership in the technical fields of competence of the ILO including in particular vocational training, management development, manpower planning and organisation, industrialisation and productive full employment, labour-management relations, workers' education, conditions of work and improvement of the working environment, social security, rural training and development and cooperatives.

(b) The methods of such cooperation shall generally be as provided for in the Agreement; further cooperative arrangements may be developed as necessary from time to time by the two organisations in mutual agreement.

(c) The ILO shall participate where appropriate in ADB economic, sector, project appraisal and project supervision missions.

Article 3. PROCEDURES

(a) Activities within the scope of the Agreement may be requested by countries of common membership, or proposed by ILO or by the ADB. Agreement on the activities to be carried out, the means by which this will be done and the responsibility for managing them shall normally be reached at meetings of the organisations to be held at mutually agreed times. These meetings shall also review progress on agreed activities.

(b) Activities in the form of technical assistance projects shall be defined in terms of the country or countries involved, the nature of the activity, the terms of reference and the timing, the numbers and types of personnel involved; for each project a project document shall be drawn up which shall outline the plan of action, include a budget with estimates and time schedules and set out the commitments of ILO, ADB and the government(s) concerned. This project document shall be signed by all the parties to it.

(c) Missions to be undertaken may be for identification, preparation, appraisal or supervision of projects, as more fully defined in the Appendix to this memorandum.

(d) ADB and ILO shall endeavour to foster the growth of African expertise by including African experts in, or associating them with, their missions whenever possible. They shall also cooperate in the organisation of seminars, study tours, fellowships and other types of technical training facilities.

(e) The ILO shall make available, as appropriate, the cooperation of its Regional Office and other offices in Africa for work relating to projects covered by the Agreement.

Article 4. FINANCIAL PROVISIONS

(a) The financial arrangements shall be in accordance with Article IV of the Agreement.

(b) For the types of mission covered by Article 3 (c) of this memorandum, the ILO will on request prepare an itemised estimate of the cost which would be chargeable to the ADB under the terms of the Agreement. When ADB has agreed to the estimate, the ILO will undertake financial obligations subject to reimbursement by the ADB of expenses incurred under the agreed estimate.

(c) For technical assistance projects financed by the Bank as provided for under paragraph 4 of Article IV of the Agreement, a project budget will be prepared and agreed upon by the two organisations. This project budget will include under each item provision for a contribution to ILO's programme support (overhead) costs. When the project budget has been agreed to by both parties, the ADB shall arrange for the deposit in advance of funds sufficient to cover six months' operations. This deposit shall constitute a revolving fund, to be replenished at the beginning of each quarter by reimbursement of expenditure incurred during the previous quarter.

(d) If several technical assistance projects and/or missions are under way simultaneously, the payments under (b) and (c) above may by agreement be pooled in order to simplify administrative procedures.

(e) The ILO shall normally submit statements of account quarterly.

(f) Estimates and billing by ILO shall be in US dollars; payments by ADB shall also be in US dollars except where there is specific agreement to the contrary.

(g) The ILO shall reimburse to ADB any funds unused on the completion of an agreed activity. If it is found that expenses for any activity are likely to exceed the estimate, ILO shall inform ADB as soon as possible and ADB shall meet any unavoidable or agreed costs in excess of the estimate. The holding of credit balances by the ILO, or the existence of debit balances, shall not give rise to interest charges.

(h) The ILO shall administer and account for funds provided by the ADB in accordance with the financial regulations, rules and existing practice of the ILO wherever applicable. The ILO shall in particular ensure that the funds are used economically and in conformity with the intended purpose.

Article 5. DURATION, AMENDMENT AND TERMINATION

(a) The working arrangements set out in this memorandum of understanding will enter into force on the date on which it is signed by the authorised representatives of the ILO and the ADB. The arrangements may be amended at any time by mutual agreement between ILO and ADB.

(b) The present memorandum of understanding shall remain in effect for an indefinite period of time. Either party may terminate it at any time upon giving six months advance notice in writing to the other party. In the event of termination by either party, both parties shall cooperate to ensure that all arrangements made pursuant to this memorandum of understanding are settled in an orderly fashion. In the event of termination by the ADB, the ADB shall reimburse ILO for the financial consequence of assuming personnel and other commitments entered into for purposes of the cooperative programme.

IN WITNESS WHEREOF, the President of the African Development Bank and the Assistant Director-General (Treasurer and Financial Comptroller) of the International Labour Office have signed this memorandum of understanding in duplicate in English and French, the two texts being equally authentic.

[Signed]

Dr. KWAME D. FORDWOR
President
African Development Bank

[Signed]

PATRICK M. C. DENBY
Assistant Director-General
Treasurer and Financial Comptroller
International Labour Office

Date: 18th April 1977

Date: 18th April 1977

A P P E N D I X

MISSIONS UNDERTAKEN BY ADB

A. *Identification missions*

These are broadly based missions, usually comprising experts of different sectors, whose terms of reference include:

- identification of projects and studies suitable for possible Bank financing; and
- study of governmental development priorities and efforts.

The missions can sometimes be instructed to direct attention on specific sectors depending on the Bank's priority.

B. *Preparatory missions*

These missions are sent to countries to prepare and formulate particular potential projects for which the ADB has received formal requests for assistance from the countries concerned.

C. *Appraisal missions*

Appraisal missions follow preparatory missions. By their terms of reference they are required to appraise a particular project and to finalise the loan proposal prior to its presentation to the Management.

D. *Supervision missions*

These missions are sent to the countries to carry out routine supervision of the execution of Bank financed projects and at times to examine problems that may have arisen during project execution.
