

MEMORANDUM OF UNDERSTANDING (MOU)

between

(Insert project name here)

and

(Insert Lead Firm Name here)

This document constitutes an agreement between *Project* an international development project promoting economic development in (*country name*), and *Company X* a private manufacturer of (*brief description of operations*) in (*country name*) with head office at (*LF address*).

I. Objective

The objective of this MOU is to express the willingness of both parties to engage in an effort to promote the competitiveness of *Company X* as well as its activities to develop and expand relationships with (*insert target group, ex: farmers*) and distribution networks through whom it sells its products.

Specific activities under this MOU will be identified through consultation between the two parties.

Project agrees to provide technical assistance to improve *Company X*'s competitiveness and to assist *Company X* to conduct activities that will improve or expand the products, services and/or support they provide to smallholder farmers and SMEs. As a preliminary activity, *Project* will conduct strategic planning exercises with *Company X* to review its proposed initiatives. The exercise results will assist *Company X* with the implementation of its proposed initiatives and will help identify areas where *Project* can provide capacity-building support. After finalizing the strategic planning sessions, technical and financial support agreements for specific activities will be developed through a participatory process. These agreements will be detailed in subsequent Addenda to this MOU.

Company X agrees to work with and coordinate with *Project* in the development of their initiatives to improve and expand products, services sold and/or support to smallholder farmers and distribution networks with whom they transact. *Company X* also agrees to allow *Project* to conduct monitoring and evaluation activities to assess the impact of these activities on participating clients and/or distributors.

2. General Terms of MOU

2.1 Duration of MOU: This MOU shall be operational upon signing and will have an initial duration of one year. All activities conducted before this date within the vision of the joint collaboration will be deemed to fall under this MOU.

2.2 Coordination: In order to carry out and fulfill the aims of this agreement, each party will appoint an appropriate person(s) as Authorized Representative (AR) to represent its organization and to coordinate the implementation of activities. *Company X* and *Project* staff will meet regularly (preferably with two days' notice) to discuss progress and plan activities. In the event of the respective AR's inability to continue with his/her organization, or due to any incapacity of

following up with the Project, within three business days from the date of such inability, another person of competent rank shall be appointed in his/her place, with due notice to the other party.

2.3 Technical and Financial Support: MOU Addendums will be developed for specific technical and financial support activities. The Addendums will provide a detailed description of each party's role, responsibility, and financial contribution. Work plans and reporting requirements will be clearly outlined in the Addendums.

2.4 Confidentiality: Each party agrees that it shall not, at any time, after executing the activities of this MOU, disclose any information in relation to these activities or the affairs of business or method of carrying on the business of the other without consent of both parties.

2.5 Termination of MOU: The collaboration covered by this MOU shall terminate upon completion of the agreed-upon period. The agreement may also be terminated with a written one month notice from either side. In the event of non-compliance or breach by one of the parties of the obligations binding upon it, the other party may terminate the agreement with immediate effect.

2.6 Extension of Agreement: The MOU may be extended provided the parties agree upon such extensions and can provide the necessary resources.

2.7 Communications: All notice, demands, and other communication under this agreement in connection herewith shall be written in English language and shall be sent to the last known address, e-mail, or fax of the concerned party. Any notice shall be effective from the date on which it reaches the other party.

2.8 Addendum: Any Addendum to this MOU shall be in writing and signed by both parties.

2.9 Insurance: It is the responsibility of *Company X* to insure themselves against any casualties. *Project* will not bear any responsibility for costs of sickness, accidents or any other liability.

3. Other Provisions

3.1 *Project* retains the right to withhold financial support payments for failure to comply with terms and conditions stipulated in this MOU and subsequent Addenda.

3.2 *Company X* shall immediately inform *Project* of any event, which could have a negative influence on or endanger the successful accomplishment of the tasks described in the agreement.

3.3 *Company X* shall not use the name of *Project* in any promotional literature or information without the prior written approval of *Project*.

3.4 *Project* shall pay the costs of its staff and any fees associated with the participation of its staff (e.g., transportation, communications, lodging, etc.) in the support of activities under this agreement, unless transportation can be provided by *Company X*.

3.5 Beside the agreed-upon technical support and financial support payment(s) to be stipulated in the Addendums to this MOU, *Project* has no other legal and financial obligations.

3.6 All applicable taxes, arising due to cost share payments to *Company X*, shall be deducted at source at the applicable rates by *Project* and will be deposited to the exchequer.

3.7 Both parties assume that this agreement does not go against the rules and regulations of the Government of (*COUNTRY NAME*).

3.8 *Company* is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of to ensure compliance with these Executive Orders and Laws.

3.9 This agreement will be administered in accordance with prevailing standard provisions and certifications for *the Project* including those contained in ADS Chapter 303, “Grants and Cooperative Agreements to non- governmental organizations” and within the terms of the United States Agency for International Development (USAID) standard provisions applicable to non-US, non-governmental recipients. Information on these provisions can be accessed through the USAID external website at www.info.usaid.gov under the “Business & Procurement” section.

3.10 *Company* agrees that no dangerous, illegal or counterfeit products will be promoted or sold to producers. The *Project* will provide *Company* with a list of all banned products.

The terms and provisions in this MOU also apply to any subsequent Addendum to this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this MOU on the ___ day of (*MONTH, YEAR*).

(Name of Project’s Authorized Representative)
(Title of Project’s Authorized Representative)
(Name of Project)
Signature and date:

(Name of LF Authorized Representative)
(Title of LF Authorized Representative)
(LF NAME)
Signature and date:
