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Investing in rural people

## Memorandum of understanding between Heifer Project International and the International Fund for Agricultural Development

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For Information

## Memorandum of understanding between Heifer Project International and the International Fund for Agricultural Development

1. At its 121<sup>st</sup> session held in September 2017, the Executive Board authorized the President to negotiate and finalize a memorandum of understanding with Heifer Project International with a view to strengthening collaboration and leveraging investments in support of agricultural development and improved food security.
2. The memorandum of understanding between IFAD and Heifer Project International was signed on 17 September 2017. A scanned copy of the signed agreement is herewith attached for information.

## **Memorandum of Understanding between Heifer Project International and the International Fund for Agricultural Development**

This MEMORANDUM OF UNDERSTANDING (the "Memorandum") is entered into as of the 17<sup>th</sup> day of September, 2017 (the "Effective Date"), by and between HEIFER PROJECT INTERNATIONAL, an Arkansas, USA, non-profit corporation ("Heifer"), and the International Fund for Agricultural Development, a specialized agency of the United Nations ("IFAD") (Heifer and IFAD are singularly referred to herein as a "Party", and collectively as the "Parties"). For good, valuable and adequate consideration, and in the spirit of cooperation, the Parties agree as follows:

### **PREAMBLE**

WHEREAS Heifer is established to work with communities to end hunger and poverty and to care for the Earth by providing families in need with long-term solutions in development. Heifer has established a development model that equips current and future generations to secure food and incomes, while breaking the cycle of poverty, through agriculture and livestock business development.

WHEREAS IFAD is an international financial institution with the objective to mobilize additional resources to be made available on concessional terms for agricultural development in developing Member States. In fulfilling this objective, IFAD shall provide financing primarily for projects and programmes specifically designed to introduce, expand or improve food production systems and to strengthen related policies and institutions within the framework of national priorities and strategies.

WHEREAS the Parties share a common focus in helping smallholder women and men farmers fight poverty, sustainably improve their food security and nutrition, increase their incomes and strengthen their resilience, while ensuring better environmental management.

WHEREAS the Parties recognize that a holistic approach to transforming rural areas is key to reaching the estimated seventy-five per cent (75%) of the world's poorest people that live in rural areas and depend on agriculture and related means for their livelihoods.

WHEREAS the Parties have collaborated for more than a decade and this collaboration has contributed to achieving the Parties' common goals and the global goals of Agenda 2030, adopted by the Member States of the United Nations – in particular, but not limited to, Sustainable Development Goal 2, Zero Hunger.

WHEREAS, given the strong strategic alignment between the Parties and the positive results the collaboration has yielded thus far, the Parties wish to forge a stronger relationship.

### **Section 1 - TERM, PURPOSE AND CORE PRINCIPLES OF THIS MEMORANDUM**

- 1.1. This Memorandum commences on the Effective Date, and shall remain in effect until terminated by either of the Parties, at any time, and for any reason. Termination of the Memorandum shall be effective thirty (30) days after receipt, by the non-terminating Party, of written notice sent by the terminating Party.
- 1.2. The purpose of this Memorandum is to provide a framework for cooperation and, on a non-exclusive basis, to facilitate collaboration between the Parties in areas of common interest (the "Purpose"). In particular, the collaboration between the

Parties as defined in this Memorandum will seek to leverage each Party's respective expertise, experience and resources for the empowerment of smallholder women and men in developing countries.

- 1.3. This collaboration will be based on the following six (6) core principles:
- (a) Focus on rural smallholders – women, men and youth;
  - (b) Community-led and demand-driven development;
  - (c) Gender equality and women's empowerment;
  - (d) Climate-responsive development;
  - (e) Knowledge management and dissemination; and
  - (f) Scalable, replicable and sustainable impact.

## **Section 2 - AREAS OF COLLABORATION**

2.1. Based on these core principles, the Parties will seek opportunities for collaboration in the following areas:

- (a) Market-driven development and inclusive business models involving smallholders and other stakeholders, adopting the public-private-producer partnership approach (the "4Ps approach");
- (b) Social capital development and empowerment of rural women and youth as a driving force for self-reliant and sustainable development;
- (c) Promotion of financial literacy and assistance in access to finance;
- (d) Capacity-building of local communities, civil society organizations and government institutions;
- (e) Improved food security and nutrition through integrated crop/livestock agricultural development and agricultural value chains;
- (f) Strengthened resilience of rural economies through increased incomes and assets of smallholder households;
- (g) Climate-smart agriculture and sustainable management of natural resources; and
- (h) Management of post-harvest loss by raising awareness of its impact on agricultural products (dairy, crops, etc.), building capacity, promoting uptake of post-harvest loss management technologies and facilitating timely market access.

2.2. In all their interventions and shared activities, the Parties will ensure solid impact measurement and knowledge exchange mechanisms and will seize opportunities to leverage lessons learned as an entry point for policy dialogue and evidence-based decision-making at local, national and global levels. This will also facilitate the identification of opportunities to replicate and/or scale up successful interventions. The Parties will also explore and promote South-South Cooperation through broad dissemination of lessons learned and exchange of expertise.

## **Section 3 - MEANS OF COLLABORATION**

### **3.1. PLANNING AND IMPLEMENTATION**

The Parties will continue to explore opportunities – initiatives and projects – to plan and execute at global and country levels, while proceeding with implementation of ongoing joint projects. At the country level, when appropriate and with government consent, Heifer will participate in IFAD's country strategic opportunities programme ("COSOP")

consultation process as a means of identifying areas of potential collaboration. Upon identification of areas of joint intervention, the Parties will co-design the projects, ensuring a solid theory of change at the design stage and development of monitoring, learning and evaluation systems that will ensure accountability and effective and timely measurement of impact. The Parties will identify strategic and high-value partnership opportunities with national governments and leverage their respective comparative advantages to forge strong and productive partnerships with relevant ministries.

### **3.2. FUNDING MECHANISMS**

For investment projects, Heifer will make its best effort to cofinance projects in which it collaborates up to twenty per cent (20%) of the project budget managed by Heifer. Where high potential for collaboration and synergy exists, and on the basis of Heifer's comparative advantages (e.g. livestock development, social capital and community development), the Parties may co-fund grant projects to be implemented by Heifer. In addition, Heifer will be encouraged, as a "partner" of strategic importance, to compete for IFAD grant funding in its areas of expertise, and IFAD will make its best effort to inform Heifer of such opportunities. The Parties will explore options to establish innovative financing tools, such as a multistakeholder funding platform to increase investments in their common areas of work.

### **3.3. KNOWLEDGE MANAGEMENT AND EXCHANGE MECHANISMS**

The Parties will proactively share knowledge and disseminate knowledge gathered from their joint interventions through a variety of means (e.g. joint publications, events, blogs, social media, etc.). Any sharing of information between the Parties will be subject to their respective policies and procedures relating to disclosure of information. The Parties shall mutually agree in writing on the format and wording of any press releases, publications, official statements, etc. regarding the activities contemplated in this Memorandum, prior to said press releases, publications, official statements, etc. being released to the public.

## **Section 4 - RESULTS MANAGEMENT AND TRACKING PROGRESS**

4.1. An action plan, identifying areas of collaboration, deliverables and time lines is found in attachment I, attached hereto and incorporated herein by this reference. This living document will be expanded upon and updated by the Parties and will serve, inter alia, to:

- (a) Track progress and ensure desired outcomes;
- (b) Identify opportunities for expanded collaboration;
- (c) Identify opportunities for replication and/or scaling up of successful interventions; and
- (d) Identify opportunities for engaging in policy dialogue and developing knowledge products.

4.2. Progress in implementation of this Memorandum will be regularly monitored as part of the supervision and reporting practices of the Parties. In addition, each Party's leadership will meet and review progress and updates based on the dynamics of development, once a year, at a date to be determined.

## **Section 5 - COMMUNICATIONS**

5.1. For the implementation of this Memorandum, the Parties agree to each appoint a liaison officer, who will channel communication and information.

5.2. Any notice or other communication to be given or made under this Memorandum will be addressed and sent to the following contact points or to such other contact point designated by notice to the other Party:

To IFAD:

On institutional issues: Luis Jimenez McInnis,  
Director, Partnership and Resource Mobilization  
Office  
Via Paolo di Dono 44  
00142 Rome, Italy

On business issues: Périn Saint Ange  
Associate Vice-President of the Programme  
Management Department  
Via Paolo di Dono 44  
00142 Rome, Italy

To Heifer: Martha Hirpa  
Managing Senior Director  
Heifer Project International  
1899 L Street NW, Suite 325  
Washington DC, USA

## **Section 6 - USE OF LOGOS, NAMES AND INTELLECTUAL PROPERTY**

6.1. The Parties agree not to use a Party's logo or name without the other Party's prior written consent.

6.2 Any studies, reports or other intellectual property products (graphic, software or otherwise), prepared jointly by the Parties under this Memorandum, shall be the joint property of the Parties.

6.3 Any studies, reports or other intellectual property products (graphic, software or otherwise), prepared individually by a Party shall be the property of the Party producing such products.

6.4 Any studies or reports prepared either jointly or individually by the Parties under this Memorandum may be published, subject to mutual agreement in writing by the Parties on the format and wording in accordance with section 3.3.

6.5 Any intellectual property owned by a Party prior to the Effective Date of this Memorandum shall remain that Party's sole and exclusive property, and any use thereof by the non-owning Party shall be subject to the prior written approval of the owning Party.

## **Section 7 - CONFIDENTIALITY**

Any sharing of information between the Parties will be subject to their respective policies and procedures relating to the disclosure of information. Each Party (a "Receiving Party") agrees to: (a) use information received from the other Party (a "Providing Party") solely in connection with the Purpose of this Memorandum, unless otherwise mutually agreed in writing between the Parties; and (b) maintain the confidentiality of the information provided, when so required.

**Section 8 - RELATIONSHIP**

Nothing in this Memorandum shall be construed to create a joint venture, partnership, agency relationship, employment relationship, or any other relationship that may result in vicarious liability between or among the Parties.

**Section 9 - REPRESENTATIONS, WARRANTIES AND COVENANTS**

The Parties represent, warrant and covenant that: (a) they possess all requisite power and authority to enter into this Memorandum and to carry out the transactions contemplated under it, and shall continue to possess such power and authority throughout the duration of this Memorandum; and (b) they are complying and shall continue to comply with any applicable law in all activities undertaken in connection with this Memorandum.

**Section 10 - FINAL PROVISIONS**

10.1. This Memorandum reflects the views and intentions of the Parties to cooperate on a non-exclusive basis, expressed in good faith but without the creation of any legal obligation or the incurrence of any liability on the part of either of them.

10.2. It is understood and agreed that nothing in this Memorandum will constitute, or be construed as, an offer, promise or undertaking by either Party to finance all or part of any activity or project identified in or pursuant to this Memorandum.

10.3. (a) This Memorandum contains the entire understanding of the Parties with respect to the specific subject matter contained herein, and supersedes any prior or contemporaneous terms, representations, statements, or agreements, whether made orally or in writing, with respect to said specific subject matter.

(b) This Memorandum shall not affect any duly-executed agreements currently in place between the Parties, including but not limited to any grant agreements.

10.4. If the Parties identify opportunities or projects, the Parties will work together in good faith to negotiate additional agreement(s), with the understanding that the agreement(s) shall contain the Parties' work and any and all terms required by potential funders. These agreements may only be modified upon mutual agreement of the Parties.

10.5. Nothing in this Memorandum or in any document or arrangement relating thereto shall be construed as a waiver, renunciation or other modification of any of the privileges and immunities of IFAD or of Heifer, nor as conferring any privileges or immunities of IFAD to Heifer or its personnel.

10.6. The Party's shall use their best efforts to settle any dispute arising out of, or in connection with, the interpretation or application of any provision of this Memorandum amicably through consultations or by another mutually agreed-upon method.

10.7. No amendment or modification of this Memorandum shall be valid or effective, unless in writing and signed by both Parties.

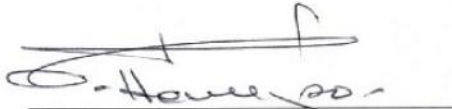
10.8. In the event this Memorandum is translated into a language other than English, the English language version shall prevail in the event of any difference of interpretation.

10.9. This Memorandum may be executed in counterparts and, if so executed, each executed counterpart shall be deemed an original.

10.10. Each of the undersigned expressly warrants his/her authority to enter into and execute this Memorandum on behalf of the respective Party.

IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the 17 September 2017.

INTERNATIONAL FUND FOR  
AGRICULTURAL DEVELOPMENT



Gilbert F. Houngbo  
President

HEIFER PROJECT INTERNATIONAL



Pierre Ferrari  
President and CEO