

MEMORANDUM OF UNDERSTANDING

between

**MINISTRY OF ECONOMIC AFFAIRS, DEPARTMENT OF AGRO, OF THE
GOVERNMENT OF THE NETHERLANDS**

and

THE GOVERNMENT OF GRENADA

**For supporting the national transformation to Climate-Smart Agriculture, and
development of a Spice Institute**

This Memorandum of Understanding is entered into between the Ministry of Economic Affairs, Department of Agro, of the Government of The Netherlands, hereinafter referred to as "DG-Agro") and the Government of Grenada (hereinafter referred to as "Grenada"),

jointly referred to as "the Parties".

PREAMBULE

WELCOMING the outcomes and concrete Roadmap of the 3rd Global Conference on Agriculture, Food Security and Climate Change (Johannesburg, December 2013), welcomed by all stakeholders, focusing on action for climate-smart agriculture to build resilience to climate change, through science, finance and policy interventions.

RECOGNIZING the importance of joint support to Climate-Smart Agriculture (CSA) and an Alliance for CSA, promoting an integrated action-oriented approach to simultaneously pursue the three pillars of climate-smart agriculture, in support of food security, improved livelihoods and increased equity, and sustainable management of natural resources.

CONSIDERING initial collaboration has started in three different thematic areas: 1) Investment ; 2) Knowledge ; 3) Enabling Environment in the design phase between the Conference in South-Africa last December and the scheduled launch this year September.

BUILDING on the Dutch model for public private partnerships – the top sector approach, which reflects collaboration between Governments, private sector and science, seeking to share knowledge and mobilize additional resources from multiple sources.

LINKING to relevant ongoing international and regional processes, related to agriculture food security and climate change, making a clear link to the UN Leaders Summit on Climate in September 2014, where the Alliance for CSA will be formally launched.

WHEREAS the Ministry of Economic Affairs and the Government of Grenada,

Now the Parties hereby agree as follows:

ARTICLE I - Purpose and Objectives

1. With this agreement the Parties join forces to support sustainable increases in the productivity of food systems, the adaptation of people's livelihoods that are threatened by climate change, and agricultural practices that contribute to reduced emissions and less deforestation as a result of agriculture, through incorporating Climate-Smart approaches into agriculture.

2. The Parties will support the development of an inclusive, global Alliance for Climate Smart Agriculture, together with governments, farmers, scientists, businesses, and civil society, as well as regional unions and international organizations. The Alliance will enable governments and other stakeholders to make transformations in ways that bridge traditional sectoral, organization and public/private boundaries. Expected outcomes through changes in national policies for people's food security, will include bringing benefits to the people whose livelihoods are most threatened by climate change.

3. In light of the transformation to a CSA approach The Parties will develop a "CSA Grenada Concept Note" (The Concept Note) as part of a feasibility study for CSA in Grenada and for the establishment of a dedicated Spice Institute which will be hosted in the Netherlands and Grenada, and possibly extending this cooperation also to Indonesia. Grenada will bring useful agri-business experience which could include agro-industry products and pharmaceuticals, and DG-Agro, through a networked team of relevant partners, will share knowledge and provide technical assistance to Grenada's Ministry of Agriculture, with a view to reforming and strengthening Grenada's agricultural institutions, and with a view to delivering concrete benefits to farms and agri-businesses, in support of the expansion of Grenada's agricultural sector. Concrete benefits could include CSA farmers funding, phytosanitary training for agribusinesses, mechanization tools, land-clearing tools, temporary farm labor, spice plants, organic agricultural products such as fertilizers, solar water-pumps and a range of other implements to be

agreed during the first mission to Grenada. This Concept Note will be used as the organizing document to (i) outline conditions on the ground, (ii) outline a set of ideal outcomes, (iii) propose a draft roadmap and a draft program to achieve those outcomes, (iv) propose a draft agenda for the First Mission, and (v) attract interest from relevant parties for the First Mission to Grenada.

4. The First Mission to Grenada: In the coming months, prior to the 3rd International Conference on SIDS to be held in Samoa in September 2014, a team from DG-Agro, with inclusion of representatives from private sector and scientific organizations will visit Grenada, to review conditions on the ground and to and finalize the Concept Note and to reach agreement on the Spice Institute and the specific deliverables and benefits for each country.

5. During the First Mission, a substantial program and concrete roadmap will be finalized, in support of the national transformation of Grenada's agricultural sector to be expanded using Climate-Smart techniques, and in support of a dedicated Spice Institute.

6. These efforts, important to island's economies, may provide a way forward for Island economies around the world, and may be highlighted at relevant upcoming meetings, such as the 3rd International Conference on SIDS and the UN Secretary General's Climate Summit in September 2014.

ARTICLE II - Duration or Term of Memorandum and Termination Process

7. This memorandum shall commence from the moment of signing and shall continue for a period to be agreed upon during the First Mission to Grenada in the coming months.

8. This memorandum may be terminated by either party giving the other party [three months'] notice in writing.

ARTICLE III – Measuring Progress

9. To accomplish these objectives, the Partners will meet at least once a year, and in the margins of other relevant occasions, for the purposes of program planning and monitoring and evaluating outcomes on a yearly basis.

ARTICLE IV - Financial and Administrative Arrangements

10. The Netherlands government will provide seed funding for an amount of 1 million USD, for the total period of the MoU.

11. The financial administrative arrangements will be agreed upon during the first First Mission to Grenada in the next months, wherein the partners will agree a financial mechanism for the transfer of funds and for raising additional funding from other bilateral sources and from the private sector. Following the First Mission, the Concept Note will be re-purposed as a "Prospectus" to attract further investment to the program. The Parties will aim at attracting an equal commitment through a public private partnership, including partners from Governments, private sector and scientific organizations, building on the so-called top sectoral approach in the Netherlands.

ARTICLE V – Entry into force, duration, and termination

12. This Memorandum of Understanding shall enter into force upon signature by both Parties, and shall remain in force until the period agreed during the first mission to Grenada in the next months. This agreement will be linked to the Memorandum of Understanding for a 'Blue Grenada'.

Signed:

On behalf of the Government
of the Netherlands

5.1.2.e

Ms. Sharon Dijksma
Minister for Agriculture
The Netherlands

Date: 24 APR 2014

On behalf of the Government of
Grenada

5.1.2.e

H.E. Keith Mitchell
Prime Minister
Grenada

Date: 24 APR 2014