



MEMORANDUM OF UNDERSTANDING

between

**Small and Medium Enterprises Development Institute
(SMEDI) of Malawi
and**

**COMESA – Leather and Leather Products Institute
(COMESA/LLPI)**

in connection with

**Establishing Collaborative Activities to Promote the Development and
Growth of Micro, Small and Medium Enterprises (MSMEs) in Leather Sector
in Malawi**

May 2015

M.1 THE MEMORANDUM OF UNDERSTANDING (MoU)

- M.1.1. THIS Memorandum of Understanding (MoU) is made between **Small and Medium Enterprises Development Institute (SMEDI) of the Malawi Republic** having its registered Headquarters at **Private Bag 393 Lilongwe**, (hereinafter called **SMEDI**) which expression shall where the context so admits include its successors and permitted assigns of other part.

AND

- M.1.2 Common Market for Eastern and Southern Africa (COMESA) – Leather and Leather Products Institute (LLPI), having its registered office at P.O. Box.2538, Code No.1110, Addis Ababa, Ethiopia (hereinafter called **COMESA/LLPI**) which expression shall, where the context so admits, include its successors and permitted assigns of the other part.

M.2 PREAMBLE

- M.2.1 WHEREAS the Common Market for Eastern and Southern Africa (COMESA) - Leather and Leather Products Institute (LLPI) (hereinafter called **COMESA/LLPI**) works with objectives to support and develop the leather industries of the COMESA regions.
- M.2.2 WHEREAS **SMEDI** is a public institution established by the Government of Malawi; mandated to promote the development and growth of sustainable Micro, Small and Medium Enterprises (MSMEs).
- M.2.3 WHEREAS both **SMEDI** and **COMESA/LLPI** are convinced of the mutual benefits of undertaking collaborative activities between the two organizations for the development of leather industry (hereinafter called **ACTIVITY**).
- M.2.4 WHEREAS both **SMEDI** and **COMESA/LLPI** have agreed in this connection to enter into this umbrella MoU to record the mutual intention of extending mutual cooperation to each other towards undertaking specific collaborative activities at a later date, depending upon the requirements as and when the need arises, as per the mutually agreed terms and conditions in terms of separate Agreement to be signed by both the parties.

Now, therefore, in consideration of the premises and mutual covenants hereinafter contained, the parties hereto agree as follows:

M.3 SCOPE OF THE MoU

- M.3.1 This umbrella MoU details the rights and obligations of the parties hereto, pertaining to the **ACTIVITY**.

- M.3.2 MoU envisioned that the Parties will work together to develop the mechanisms and to undertake activities jointly that will promote and sustain the value adding activities along the leather value chain, in the Republic of Malawi. The MoU shall serve as the basis for the various leather and leather products development activities in the areas of training, information and markets for MSMEs and to provide relevant, needs-based business development services to be undertaken jointly by SMEDI and COMESA/LLPI.

M.4 DEFINITIONS/ACRONYMS

- M.4.1 "SMEDI" means Small and Medium Enterprises Development Institute.
- M.4.2 "COMESA/LLPI" means the Common Market for Eastern and Southern Africa – Leather and Leather Products Institute.
- M.4.3 "COMESA Member States" are Burundi, Comoros, D.R. Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia and Zimbabwe.
- M.4.4 "IP" means Intellectual Property.
- M.4.5 "MoU" means Memorandum of Understanding.
- M.4.6 "Party" or "Parties" refer to the GIMI and/or COMESA/LLPI and other institutions that mutually agreed to by both parties.

M.5 GENERAL RESPONSIBILITIES OF COMESA/LLPI & SMEDI and AREAS OF COOPERATION

- M.5.1 SMEDI and COMESA/LLPI agree to cooperate with each other through their appropriate organs with respect to all matters of common interest that arise in the fields of leather and leather products in general.
- M.5.2 SMEDI shall give due consideration to COMESA/LLPI requests for the goals and objectives of COMESA/LLPI in the development of leather industry in the COMESA Region in general and in Malawi in particular..
- M.5.3 SMEDI and COMESA/LLPI will cooperate in the areas of research, training, technology transfer, consultancy, exchange of programs, development of SMEs and other regional and international programs, preferably with written protocols and agreements.
- M.5.4 SMEDI and COMESA/LLPI will give due consideration to consultancy and extension services in the leather sector and other cross-cutting issues. The Basis of each consultancy will be determined according to the specific required activity.
- M.5.5 SMEDI and COMESA/LLPI will concert and coordinate their efforts in the areas of information collection, analysis and dissemination of activities for the purpose of Capacity Building and/or Consultancy in the following fields:

- a. Market information
 - b. Human resource
 - c. New and indigenous technology
 - d. Any other areas of interest to the leather sector
- M.5.6 SMEDI and COMESA/LLPI shall engage in consultations with a view to selecting the best means of ensuring that their activities in matters of common interest are fully effective.
- M.5.7 SMEDI and COMESA/LLPI may, in appropriate cases, agree to convene under their auspices, according to arrangements to be made in each particular case, joint meetings concerning matters of mutual interest. The manner in which, measures proposed by such joint meetings may be put into effect will be determined by the two parties.
- M.5.8 In appropriate cases, meetings convened by either SMEDI or COMESA/LLPI may call for the cooperation and participation of the other party.
- M.5.9 SMEDI and COMESA/LLPI may, through special arrangements, decide upon joint action with a view to attaining objects of common interest. These arrangements shall define the ways and means in which each of the two organizations shall participate in this action and shall specify the financial commitment, if any, that each is to assume.
- M.5.10 SMEDI and COMESA/LLPI, when they consider it desirable, shall set up joint commissions, committees or other bodies, on conditions to be mutually agreed in each case, to advise them on matters of common interest. Joint studies may be undertaken by SMEDI and COMESA/LLPI, and joint programmes and projects established and implemented between them.
- M.5.11 SMEDI and COMESA/LLPI will concert their efforts to obtain the best use of leather sector data and information and to ensure the most effective utilization of their resources in the collection, collating, analysis, publication and dissemination of such information.
- M.5.12 SMEDI and COMESA/LLPI, through their designated officials, shall make appropriate administrative arrangements to ensure effective cooperation and liaison between the two Parties.
- M.5.13 SMEDI and COMESA/LLPI, through their designated officials, shall consult with each other upon matters arising out of the present Agreement.
- M.5.14 SMEDI and COMESA/LLPI, through their designated officials, may make such supplementary administrative arrangements for the implementation of this Agreement as may appear desirable in the light of experience.
- M.5.15 SMEDI and COMESA/LLPI shall coordinate activities that are jointly undertaken in pursuit of the objectives of the MoU.

M.6 RESPONSIBILITIES OF SMEDI

- M.6.1 **SMEDI** shall execute and document activities that are undertaken in pursuit of the objectives of the MoU.
- M.6.2 **SMEDI** shall maintain database of information, records and activities related to the objectives of this MoU.
- M.6.3 **SMEDI** shall provide required technical support to COMESA/LLPI for successful implementation of joint projects, programmes and activities for sustained sectoral development.
- M.6.4 **SMEDI** shall support such initiatives by COMESA/LLPI by way of provision of necessary information / data etc.

M.7 RESPONSIBILITIES OF COMESA/LLPI

- M.7.1 **COMESA/LLPI** shall prepare feasible projects, programmes and activities for sustained leather industry development in COMESA Region and mobilize resources for their implementation.
- M.7.2 **COMESA/LLPI** shall provide required support to SMEDI for successful implementation of joint projects, programmes and activities for sustained leather development in the Republic of Malawi.
- M.7.3 **COMESA/LLPI** shall coordinate meetings, document activities and maintain database of information and activities jointly undertaken in the leather industry development of Malawi.
- M.7.4 **COMESA/LLPI** shall enhance its mandated leather sector development activities in the COMESA Region that encompass:
- Human Resources Development
Eg. Capacity Building
 - Investment and Trade Promotion
Eg. Intra and Inter Regional Trade
 - Material and Technological Research and Development
Eg. Enhancement of SMEs and Promotion of Sustainable Projects
 - Consultancy and Extension
Eg. Technology Transfer in the Region
 - Information Collection and Dissemination
Eg. Market and trade information in leather sector
 - Regional Integration, Gender parity and other Cross-Cutting Issues.
- M.7.5 **COMESA/LLPI** shall promote, provide, initiate, coordinate, organize, prepare and implement identified activities for the benefit of member States in the Region.

- M.7.6 **COMESA/LLPI** shall solicit funding support from regional and international bodies for carrying out actionable programs for the development of leather and leather products sector in COMESA member countries.

M.8 EFFECTIVE DATE, DURATION AND TERMINATION OF MoU

- M.8.1 The MoU shall be effective for TWO years from the date of its signing (hereinafter called EFFECTIVE DATE).
- M.8.2 The period of completion of ACTIVITY can however be extended to such further periods as may be required as well as mutually agreed to, without any additional obligation on both sides.
- M.8.3 During the tenure of the Agreement, parties hereto can terminate the Agreement for breach of any of the clause of the Agreement by giving one-month notice in writing to the defaulting party. Failure of either party to terminate the Agreement on account of breach or default by the other shall not constitute a waiver of that party's right to terminate this Agreement

M.9 INTELLECTUAL PROPERTY

- M.9.1 No rights of any kind whatsoever in any invention, copyright, trade secret, or any other form of intellectual property are granted or transferred under this MoU. No IP is envisaged to be generated under this MoU. However, in the event of generation of any IP from this MoU or under the branched out activities of this MoU, the rights of the IP shall be shared by COMESA/LLPI and **SMEDI** jointly. The sharing of IP shall be governed by a separate MoU.
- M.9.2 Any publication emerged from the activities covered under this MoU shall be made jointly by **COMESA/LLPI** and **SMEDI** and shall bear the names of the authors contributed to the same from both sides.

M.10 FUND

- M.10.1 This MoU shall not be used to obligate or commit funds. As the need may arise, specific work statements and details of support to be furnished by each of the Parties to this MoU, will be developed separately from this MoU in specific agreements or contracts, subject to the availability of funds. No proposal or contract, purporting to commit either Party to perform any work, shall be binding upon that Party without the expressed written approval of Parties who are duly authorized to issue such agreements and contracts.

M.11 DISPUTE SETTLEMENT

- M.11.1 The parties shall attempt in good faith to resolve any controversy or dispute arising out of or relating to this MoU or the scope, breach, termination or validity thereof.

M.12 ASSIGNMENT OF THE MoU

- M.12.1 Neither party shall assign any of its rights and obligations under this MoU without the prior consent of the other party.


M.13 AMENDMENTS TO THE MoU

- M.13.1 No amendment or modification of the MoU shall be valid unless the same is made in writing by both the parties or their authorized representatives and specifically stating the same to be an amendment of the MoU. The modification shall be effective from the date on which they are made/executed, unless otherwise agreed to.

SEAL OF PARTIES

In witness whereof the parties hereto have signed this MoU on the date, month and year mentioned hereinbefore.

For and on behalf of
SMEDI



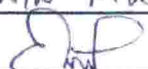
Signature

Name: Charles Kerebelle
Designation: Chief Executive Officer

Seal



Witnesses (Name and Address)


1. EDWIN MUKWATA


2. MIF MUKWATA
P/BAG 393 WL3

28/07/15

Date

For and on behalf of
COMESA/LLPI



Signature

Name: Prof. Mwinyikione Mwirya


Designation: Executive Director
COMESA/LLPI

Seal



Witnesses (Name and Address)

1. Prof. Makenzie Mwirya


2. Zewdu Kebede


Date