



MEMORANDUM OF UNDERSTANDING

between

**Eastern and Southern African Trade and Development
Bank
(PTA Bank)**

and

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

in connection with

**Furtherance of their mutual interests in supporting
Small and Medium Enterprises (SMEs) in the COMESA
Region and as a Contribution to Increased International
Co-operation**

March 2015

M.1 THE MEMORANDUM OF UNDERSTANDING (MoU)

- M.1.1.** THIS Memorandum of Understanding (MoU) made between Eastern and Southern African Trade and Development Bank (hereinafter called **PTA Bank**) having its principal office at PTA Bank Headquarters, Chaussée Prince Louis Rwagasore, P.O. Box 1750, Bujumbura, Burundi, which expression shall where the context so admits include its successors and permitted assigns of one part.

AND

- M.1.2** Common Market for Eastern and Southern Africa (COMESA) – Leather and Leather Products Institute (hereinafter called **COMESA/LLPI**), having its registered office at P. O. Box. 2538, Code No.1110, Addis Ababa, Ethiopia 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 COMESA/LLPI works with objectives to support and develop the leather industries in COMESA Member States.
- M.2.2** WHEREAS PTA Bank is a multilateral development financial institution established by the Charter of the Eastern and Southern African Trade and Development Bank whose objectives include, among others, cooperating with other institutions and organizations, public or private, national or international, which are interested in the economic and social development of the members states of the PTA Bank.
- M.2.3** WHEREAS both PTA Bank and COMESA/LLPI hereby agree that the purpose of this MOU is to:
- I. Recognise their mutual interests in supporting SMEs in the leather sector within COMESA Member States and as a contribution to increased international co-operation for the development of leather industry; and
 - II. Acknowledge PTA Bank's support of USD75,000 to the COMESA/LLPI as more fully described in this MOU.

Now, therefore, in consideration of their mutual interests hereinafter contained, the parties hereto agree as follows:

M.3 DEFINITIONS/ACRONYMS

- M.3.1** "PTA Bank " means Eastern and Southern African Trade and Development Bank
- M.3.2** "COMESA/LLPI" means the Common Market for Eastern and Southern Africa – Leather and Leather Products Institute



- M.3.3** "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.3.4** "IP" means Intellectual Property
- M.3.5** "MoU" means Memorandum of Understanding
- M.3.6** "Party" or "Parties" refer to the PTA Bank and/or COMESA/LLPI and other institutions that mutually agreed to by both parties.

M.4 AREAS OF COOPERATION BETWEEN PTA BANK AND COMESA/LLPI

- M.4.1** PTA Bank 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 sector in general.
- M.4.2** PTA Bank hereby provides a capacity building grant of United States Dollars Seventy five thousand (USD75,000), to support COMESA/LLPI advance industrialization and SME development in COMESA Member States. The support will go towards the following activities:
- 1) Acquisition and installation by COMESA/LLPI of equipment/tools listed under Annex 1 to be applied to an initial cluster of COMESA Member States that have a significant leather sector and leather products;
 - 2) Development and implementation strategy and business plans for the use of the equipment and tools by the concerned SME Service/incubation center/clusters.
 - 3) Training of SMEs on how to use the equipment and tools: COMESA/LLPI in collaboration with the concerned Service/incubation center/cluster will provide trainings on how to use the equipment and tools.
- M.4.3** PTA Bank and COMESA/LLPI agree that the funds will be disbursed by PTA Bank to a designated account of COMESA/LLPI and that COMESA/LLPI will carry out the procurement of goods/services in line with its own policies and procedures and will ensure that the principles of value for money and good governance are strictly observed and PTA BANK will disburse the amounts to COMESA/LLPI itself.
- M.4.5** PTA Bank and COMESA/LLPI shall engage in regular consultations with a view to determining the progress made in the utilization of the support aimed at supporting SMEs in the leather sector within COMESA Member States.
- M.4.6** PTA Bank 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.4.7** In appropriate cases, meetings convened by either PTA Bank or COMESA/LLPI may call for the cooperation and participation of the other party.
- M.4.8** PTA Bank 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.4.9** PTA Bank 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 PTA Bank and COMESA/LLPI, and joint programmes and projects established and implemented between them.
- M.4.10** PTA Bank and COMESA/LLPI will concert their efforts to obtain the best use of the support to ensure the most effective support to SMEs in the leather sector.
- M.4.11** PTA Bank and COMESA/LLPI, through their designated officials, shall make appropriate administrative arrangements to ensure effective cooperation and liaison between the two Parties.
- M.4.12** PTA Bank and COMESA/LLPI, through their designated officials, shall consult with each other upon matters arising out of the present MOU.
- M.4.13** PTA Bank and COMESA/LLPI, through their designated officials, may make such supplementary administrative arrangements for the implementation of this MOU as may appear desirable in the light of experience.

M.5 INTELLECTUAL PROPERTY

- M.5.1** 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 PTA Bank jointly. The sharing of IP shall be governed by a separate MoU.

M.6 GENERAL PROVISIONS

- 1) Each Party retains the option to pursue sole initiatives without the agreement of the other Party.
- 2) This MOU does not constitute or infer any contract or binding agreement on or between PTA Bank and COMESA/LLPI or any of their successors.
- 3) The effective date for this MOU between PTA Bank and COMESA/LLPI shall

27/03



be the date of the later signature below.

- 4) This MOU shall remain in effect until terminated in writing by either Party and may only be modified upon the written agreement by both Parties.
- 5) 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.

SIGNATURE OF PARTIES

IN WITNESS THEREOF, the Parties hereto have offered their signatures:

Date 27th / March / 2015.

For Eastern and Southern African
Trade and Development Bank
(PTA Bank)



Mr. Admassu Tadesse
PTA BANK President and Chief Executive

Date 27th March 2015

For Leather and Leather Products
Institute, Addis Ababa
(COMESA/LLPI)



Prof. Mwinyikione Mwinyihija
Executive Director, COMESA/LLPI

