

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE MILLENNIUM CHALLENGE CORPORATION OF THE UNITED STATES  
AND  
THE UNITED NATIONS WORLD FOOD PROGRAM**

**I. Common Goal**

The Millennium Challenge Corporation (“MCC”), a United States Government corporation, and the World Food Program (“WFP”), a United Nations agency, are actively supporting programs that increase household incomes and improve availability and affordability of food and food products. MCC and the WFP wish to share their respective strengths and resources to support initiatives that advance their common goal to improve the lives of the world’s poor.

For over four decades, the WFP has provided access to nutrition and improved quality of life for the world’s most vulnerable people at critical times. In 2007, the WFP reached over 86 million people in 80 countries with food aid that allowed them to make investments of lasting benefit to themselves. MCC’s mission is poverty reduction through the promotion of sustainable economic growth. Since 2004, MCC has obligated over \$7.5 billion in grants through compacts with 22 developing countries. MCC partner countries have elected to use over \$4 billion of this total investment to directly contribute to improved food security.

MCC and the WFP share the belief that improved coordination among donors can significantly leverage the impact of donor contributions to global economic growth, poverty alleviation and improved food security. Hence, the principal objective of the cooperation between MCC and the WFP is the identification of strategic areas for joint action to promote poverty and hunger reduction. This MOU will serve as the foundation and framework to encourage field level discussions and jointly developed and implemented action plans.

**II. Purpose of this Memorandum**

This Memorandum of Understanding (“Memorandum”) sets forth the framework for cooperation between MCC and the WFP (“Participants”) in pursuit of their common goals.

**III. Nature of the Cooperation**

MCC and the WFP intend to (i) cooperate both at the global level (in identifying and developing strategic issues and opportunities) and at the country level (in countries of mutual focus) and (ii) pursue activities in the following areas:

**A. Agricultural Production, Markets, and Food Security:** Agricultural production is important for food security, providing both an output and an income source. It is particularly critical in many countries of sub-Saharan region of Africa. The region’s population experiences highly variable annual production, limited tradability of food staples, and foreign exchange constraints that limit imports. Over half of the WFP’s beneficiaries are small farmers, particularly vulnerable to recurrent food emergencies. Improving and stabilizing domestic production, small holder access to credit, the food supply chain, and local markets is essential for improving food security. Areas of

potential collaboration and intersection in the area of food security could include, but not be limited to, the following:

- Access for beneficiaries of MCC-funded agricultural supply-chain investments to the WFP-funded “Purchase for Progress” initiative (“P4P”) and WFP regional procurement and purchasing initiatives to other overlap countries beyond Ghana.
- Use of the WFP cash voucher system to support markets and local buying in communities where MCC investments are occurring.
- Use of MCC on-lending and other credit programs to target WFP suppliers into both P4P and other regional buying.
- Use of the WFP “Food for Work” and “Food for Assets” programs to expand the productivity of MCC investments in agriculture infrastructure and land improvement, with attention to employment opportunities for women.
- Expanding and adjusting MCC-funded technical assistance and training modules and approaches to include WFP target beneficiaries and suppliers.
- Incorporating WFP nutrition interventions (education in nutrition and care practices, and fortified food and nutrition products where appropriate) into MCC-supported maternal and child health programs, health education, and HIV programs.
- Connecting women producers and producer groups benefitting from MCC-funded training to P4P and other regional purchase programs.

Country level discussions between MCC and the WFP will identify appropriate areas of collaboration with the target of developing and signing a minimum of three joint action plans (“Joint Action Plans”) during the first year of this Memorandum.

## **B. Integration of Gender Policies and other Implementation Lessons Learned in Agricultural Activities:**

Women are crucial to both agricultural productivity and food security, yet gender inequalities impede their ability to maximize their roles as producers and primary family caretakers, hindering efforts to achieve the goal of food and nutritional security. HIV/AIDS, which disproportionately affects women in sub-Saharan Africa, also has a negative impact on food security at the household level, and food insecurity in turn can lead to increased risk of HIV—especially among women. MCC's Gender Policy requires attention to gender differences and inequalities in project design, implementation and performance monitoring. The WFP also recognizes the central role that women play in ensuring food security and investment in children and WFP Gender Policy reflects a strong commitment to gender equality in access to resources and opportunities. MCC and the WFP will seek to coordinate program investments that improve food security capacities in priority countries, reflecting best practices on gender, HIV/AIDS prevention and risk mitigation, and agriculture.

During the process of implementing compacts with agriculture and food security investments, MCC has developed a library of lessons learned related to both implementation and measuring results that can be shared with colleagues in the field.

Headquarters and country level discussions will seek to identify appropriate areas of collaboration with the aim of meeting at the headquarters or field level at least once a year to share lessons learned, expertise, and best practices in project management, implementation, monitoring and evaluation, and gender integration work.

#### **IV. Modes of Cooperation**

**A.** Pursuant to this Memorandum and within the framework of MCC and WFP mandates, MCC and the WFP will endeavor to develop country-specific Joint Action Plans that include (but are not limited to) projects or activities within the framework of the areas of cooperation set forth above.

**B.** Such Joint Action Plans as may be developed should be duly endorsed by the authorized representatives of MCC and the WFP and should contain: a clear statement of objectives; expected outputs and outcomes; a work plan; a description of funds and resource allocations; a provision relating to coordination, notices, and monitoring of the program, project, and/or activity in question; the specific responsibilities of MCC and the WFP; and any other provision that the Participants deem necessary.

#### **V. Communication**

**A.** MCC and WFP will endeavor to communicate regularly with each other to coordinate their efforts under this Memorandum. In addition, MCC and the WFP intend to communicate with the entities that implement MCC Compacts and the WFP regional/country programs to coordinate efforts in individual countries.

**B.** For purposes of this Memorandum, MCC and the WFP will be represented by the persons holding or acting in the following positions:

- For MCC: Vice President, Department of Compact Operations
- For the WFP: Director, Office of US Relations

#### **VI. Duration, Amendment, and Termination of this Memorandum**

This Memorandum is expected to continue for two years from the date of signature by both MCC and the WFP and may be extended by mutual consent in writing. MCC and the WFP may modify this Memorandum by mutual consent in writing at any time. MCC or the WFP may terminate this Memorandum or any Joint Action Plan at any time by providing written notice to the other Participant whereupon the Participants shall cooperate to ensure the prompt and orderly conclusion of activities undertaken pursuant to this MOU or any Joint Action Plan concluded pursuant to this MOU.

#### **VII. Privileges and Immunities**

Nothing in this Memorandum or any document entered into in connection with this Memorandum shall imply a waiver, express or implied, by the WFP, the United Nations, and the Food and Agricultural Organization of any privileges and immunities enjoyed by them pursuant to the 1946 Convention on the Privileges and Immunities of the United Nations, the 1947 Convention on the Privileges and Immunities of Specialized Agencies, customary international law, other relevant international or national agreements, and under domestic law.

**VIII. General Provisions**

This Memorandum constitutes an expression of mutual good faith. This Memorandum does not constitute a legally binding commitment by either MCC or the WFP and does not create a legal entity. This Memorandum does not obligate funds and does not commit either MCC or the WFP to enter into or provide support or funding for any specific activity or project. This Memorandum does not supersede or interfere with any agreements entered into by MCC or the WFP.

As independent institutions, MCC and the WFP acknowledge that any cooperation contemplated by this Memorandum is subject to each institution’s respective policies, procedures, funding constraints, and legal and regulatory constraints. Neither MCC nor the WFP will have any responsibility for any expenses incurred by the other relating to the execution of this Memorandum.

This Memorandum provides no exclusivity between MCC and the WFP in the scope of any cooperation, does not endorse a specific entity, does not create any rights in any person, and does not create any obligations for any third party.

MILLENNIUM CHALLENGE CORPORATION	THE WORLD FOOD PROGRAM
/ s /	/ s /
By: _____	By: _____
Daniel Yohannes	Josette Sheeran
Chief Executive Officer	Executive Director
Dated: December 13, 2010	Dated: December 13, 2010