



**IMPROVING JAMAICA'S  
AGRICULTURAL PRODUCTIVITY  
PROJECT**

**MEMORANDUM**

**OF**

**UNDERSTANDING**

**BETWEEN**

**THE INTER-AMERICAN INSTITUTE**

**FOR**

**CO-OPERATION ON AGRICULTURE**

**AND**

**THE GOVERNMENT OF JAMAICA**

**MINISTRY OF AGRICULTURE AND FISHERIES**

## MEMORANDUM OF UNDERSTANDING

This **MEMORANDUM OF UNDERSTANDING** is made the 20<sup>th</sup> day of *July*, 2009 between **THE MINISTRY OF FINANCE AND THE PUBLIC SERVICE (hereinafter called MoFPS)** with offices located at 30 National Heroes Circle, Kingston 4 and **THE MINISTRY OF AGRICULTURE AND FISHERIES (hereinafter called MOAF)** with offices situated at Hope Gardens, Kingston 6 in the Parish of Saint Andrew both for and on behalf of the Government of Jamaica (hereinafter called "GoJ") of the **ONE PART** and **INTER-AMERICAN INSTITUTE FOR COOPERATION ON AGRICULTURE (hereinafter called IICA)**, an international agency specializing in agriculture, with offices situated at Hope Gardens, Kingston 6 in the Parish of Saint Andrew of the **OTHER PART**.

### **WHEREAS:**

- (a) The MoFPS has overall responsibility for developing the GoJ's financial policies, and for the allocation, distribution, monitoring and control of GoJ's financial resources.
- (b) The MOAF is a Government Ministry with responsibility for policy, technical advisory and regulatory services for the orderly development of the Agricultural Sectors.
- (c) IICA is a specialized agency of the Inter-American System, whose purpose is to provide innovative technical co-operation to Member States, with a view to achieving their sustainable development in aid of the peoples of the Americas, particularly rural populations; and has been appointed the Executing Agency, acting on behalf of the Canadian International Development Agency (CIDA).
- (d) Agriculture has always been central to Jamaica, traditionally through the sugar and banana industries. Jamaica's agricultural sector produces both domestic and export crops and contributes to

GDP (6%), employment, foreign exchange earnings and rural life in Jamaica.

- (e) Fisheries is a very important sector of Agriculture.
- (f) Although the contribution of fisheries to GDP is small (0.4%), the importance of the fishing industry is evident in the fishing communities, which are mainly rural and have high rates of poverty.
- (g) Fishing represents one of the most accessible forms of employment for the rural poor, and the fishing industry has significant potential in poverty alleviation.
- (h) GOJ has devised the *Sustainable Rural Development Strategy* which aims to create an enabling environment for rural people to earn more, invest in themselves and their communities and contribute towards the maintenance of infrastructure central to their livelihoods through agricultural diversification and management of marine resources.
- (i) GOJ faces a major challenge of increasing and sustaining agricultural and fisheries productivity, competitiveness and inter-sectoral linkages so that by 2020, their contribution to GDP, rural incomes and livelihoods would have increased.
- (j) One way of achieving this is through the implementation of a project (hereinafter called "the Project") to improve Jamaica's agricultural productivity, through the use of green house technology and improve the environmental management of small-scale fisheries.
- (k) The Project will focus on developing pilot projects in the greenhouse industry and the small-scale fisheries sector as well as on research and development for commercialisation, technical skills development and capacity building.

- (l) IICA has facilitated funding for the Project from CIDA and will partner with MOAF in its implementation.
- (m) IICA has entered into a Contribution Arrangement with the Government of Canada acting through CIDA entitled "Improving Jamaica's Agricultural Productivity" (hereinafter called "the said Contribution Arrangement") for the effective management and implementation of the Project. Attached hereto as Annex A is a copy of the aforesaid "Contribution Arrangement"
- (n) In conformity with the GoJ's public sector investment guidelines, the MOAF shall be the Executing Agency on behalf of the GoJ for the Project with its Permanent Secretary being the Accounting Officer to the GoJ and Co-Chairman of the Project Steering Committee as defined in Clause 1 (14) hereof.
- (o) Based on the Project Approval Document, which is more particularly described in Annex B hereto (hereinafter called "the said Project Approval Document"), IICA shall be the Project's Executing Agency for CIDA and shall be accountable to CIDA for project expenditure and results.
- (p) The MOAF shall be the Project Implementing Agency.
- (q) The total cost of the Project shall be SIX MILLION FIVE HUNDRED AND THIRTY-ONE THOUSAND ONE HUNDRED AND FORTY-ONE CANADIAN DOLLARS (CAD\$6,531,141.00) of which CIDA Funding shall comprise FOUR MILLION NINE HUNDRED THOUSAND CANADIAN DOLLARS (CAD\$4,900,000.00), GoJ Funding, ONE MILLION FOUR HUNDRED AND NINETY-SIX THOUSAND ONE HUNDRED AND EIGHTY-FIVE CANADIAN DOLLARS (CAD\$1,496,185.00) and IICA Funding, ONE HUNDRED AND THIRTY-FOUR THOUSAND NINE HUNDRED AND FIFTY-SIX CANADIAN DOLLARS (CAD\$134,956.00) more particularly described in Annex A hereto.

**NOW THIS MEMORANDUM OF UNDERSTANDING WITNESSETH as follows:**

**IN CONSIDERATION** of the foregoing premises, it is hereby understood and agreed that MoFPS shall do the following:

1. Commit to allocating the counterpart financial resources as stipulated in said Project Approval Document more particularly described in Annex B hereto, that is the said ONE MILLION FOUR HUNDRED AND NINETY-SIX THOUSAND ONE HUNDRED AND EIGHTY-FIVE CANADIAN DOLLARS (CAD\$1,496,185.00) throughout the continuation of the Project. PROVIDED HOWEVER it is hereby also understood and agreed that the said CAD\$1,496,185.00 shall be apportioned as follows:

- a. Staff salaries, contractual services, estimated at ONE MILLION TWO HUNDRED AND EIGHTY NINE THOUSAND FOUR HUNDRED AND FORTY-THREE CANADIAN DOLLARS (CAD\$1,289,443.00)
- b. Other in-kind contribution, including office space, accommodation and utilities, estimated at TWO HUNDRED AND SIX THOUSAND SEVEN HUNDRED AND FORTY-TWO CANADIAN DOLLARS (CAD\$206,742.00).

PROVIDED HOWEVER that it is hereby understood and agreed that the said counterpart financial resources are an estimate for the purposes hereof and the MoFPS shall absorb such increases as may be necessary to fulfill the terms and conditions of the said Project Approval Document.

2. Monitor the financial and physical progress of the Project and assist in alleviating problems and constraints to project implementation.

3. Provide guidance to the MOAF, its departments and agencies in the execution and implementation of the project to ensure conformity with the GoJ's public sector investment guidelines.

The Ministry of Agriculture shall:

1. Establish two (2) Project Management Units for the Greenhouse Component and Fisheries Component to implement the Project as provided for in the said Project Approval Document.
2. Ensure that the stipulated salary arrangements for project management and other staff are adhered to according to the said Project Approval Document.
3. Provide the required human resources more particularly described in the Project Approval Document hereto as Annex B and ensure that the requisite expertise is available for the effective implementation of the Project.
4. Provide the office space, equipment and utilities necessary for accommodating full-time and short-term staff of the two Project Management Units.
5. Ensure that all procurement activities involving CIDA funding adhere to the Procurement Guidelines of IICA, which guidelines are attached hereto as Annex C.
6. Make all relevant information available to the Project Coordinating Unit (hereinafter called the PCU) to be established by IICA within the timeframes stipulated therein.
7. Provide the PCU with quarterly reports of all project-related counterpart expenditure, to enable the said Unit to meet its contractual obligations as required in the Contribution Agreement between the Government of Canada and IICA through CIDA.

8. Provide reports on project expenditure and performance to the MoFPS and the Planning Institute of Jamaica (hereinafter called the "PIOJ") as required.
9. Provide the MoFPS with access to all project sites and project-related information to facilitate monitoring and evaluation.
10. Ensure that the MOAF staff directly or indirectly related to the Project, participate in the various training activities of the Project.
11. Ensure the establishment of the Project Steering Committee with accompanying terms of reference consisting of representatives of the MOAF, the MOAF's agencies for Greenhouse and Fisheries development, the Jamaica Greenhouse Growers' Association, the National Fishing Cooperative, representatives of the participating fishing cooperatives, the MoFPS and CIDA, as provided for in the said Project Approval Document.

IICA shall :

- (1) Execute the Project on behalf of CIDA, thereby having responsibility for all CIDA-funded procurement activities under the Project. To this end, a senior IICA staff member shall act as Project Manager and Agribusiness Advisor.
- (2) Be responsible for overseeing all aspects of Project implementation including but not limited to the collection of baseline data, procurement, coordination with GOJ/MOAF, financial management, monitoring and reporting to CIDA and to the Permanent Secretary of the MOAF.
- (3) Establish a Project Coordinating Unit which shall have oversight for the Project and ensure that stakeholders are

kept abreast of the progress thereof through the provision of timely reports to the Project Steering Committee.

- (4) Provide the requisite staff, office space and amenities for the PCU.
- (5) Implement appropriate and effective policies, administrative systems and controls to ensure that the Project is implemented with the requisite legal, ethical, accountability and financial management standards.
- (6) Make all relevant information available that will assist in the timely implementation of Project activities.
- (7) Provide in-house expertise and technical assistance in the areas of agribusiness, capacity development and finance and work closely with MOAF particularly with its Greenhouse and Fisheries Divisions.
- (8) Ensure that all procurement activities involving CIDA funding adhere to the procurement guidelines in Annex C hereto.
- (9) Engage specialists to supply services to the Project relating to the areas of greenhouse construction, greenhouse technology and production, reef regeneration and other areas such as food handling and food safety, as required.
- (10) Provide training for the staff of the Project Coordinating and Management Units on IICA's Agricultural Project Procedures.

1. PROVIDED ALWAYS AND IT IS HEREBY MUTUALLY AGREED AND DECLARED as follows:

(1) **Duration**

This Memorandum of Understanding dated the 20<sup>th</sup> day of July, 2009 shall be for three (3) years and shall be deemed to have commenced on the 15<sup>th</sup> day of December 2008 and terminating on the 31<sup>st</sup> day of December 2011,



provided all conditions hereof are being observed and the Agreement between CIDA and IICA subsists.

(2) All information related to the Project for dissemination to the public must be preapproved by the PCU and the Government of Jamaica prior to dispatch. PROVIDED THAT the rights and privileges of the GoJ to disseminate such information in any form and at any time shall not be restricted.

(3) This Memorandum of Understanding is subject to the said Contribution Arrangement between CIDA and IICA and should IICA fail to use the Contribution made by CIDA exclusively for the purpose of the Project or fail to respect the terms of the said Contribution Arrangement, it may result in CIDA withholding payment of all or part of its Contribution or requesting reimbursement of any or all payments made by CIDA. It is understood that IICA has exclusive responsibility for the application and use of CIDA's contribution.

(4) **Termination or Suspension**

This Memorandum of Understanding may be determined by effluxion of time, notice, breach or otherwise. Each party shall be entitled to exercise any one or more of the rights and remedies given to it under the terms hereto and the determination of this Memorandum of Understanding shall not affect or prejudice such rights and remedies and each party shall be liable to perform all outstanding liabilities hereunder notwithstanding that the other may have exercised one or more of the rights and remedies against it.

PROVIDED HOWEVER it is hereby further understood and agreed that no relaxation, forbearance, delay or indulgence by MOAF or IICA in enforcing any of the terms and conditions hereof shall prejudice, affect or restrict its rights and powers hereunder nor shall any waiver operate as a waiver of any subsequent or continuing breach. Either party may terminate or suspend this Memorandum of Understanding in whole or in part by giving ninety (90) days advance notice and stating the reason for termination or suspension. PROVIDED HOWEVER it is further understood and agreed that should CIDA at any time terminate or suspend its Arrangement with IICA, for any reason whatsoever IICA shall have the right to terminate or suspend this Memorandum of Understanding with MOAF.

The provisions of this Memorandum of Understanding shall remain in force beyond the date of such termination to the extent necessary to permit the orderly completion of activities. This Memorandum of Understanding may be amended by mutual consent and either party shall give proper consideration to any proposal made by the other party with a view to its amendment.

- (5) Any notice to be served on either party shall be in writing and shall be sufficiently and duly given and received if addressed and sent by pre-paid registered post, telex, facsimile or electronic mail or delivered to either party at their respective address hereinbefore stated or to such other address as may from time to time be notified by either party to the other for that purpose. Any such notice sent shall be

deemed to have been received by the addressee within seven (7) days of posting or twenty-four (24) hours if sent by telex, facsimile or the correct electronic mail address of the addressee.

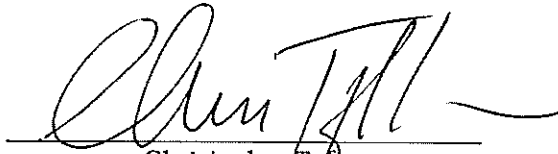
**IN WITNESS WHEREOF**, the Government of Jamaica and the IICA, each acting through its authorized representative, have signed this Agreement in two (2) equally authentic copies in Jamaica, on the date above written.

**SIGNED FOR AND ON BEHALF OF  
GOVERNMENT OF JAMAICA**



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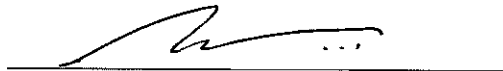
Audley Shaw  
**Minister of Finance and the Public Service**



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Christopher Tuffon  
**Minister of Agriculture and Fisheries**

**SIGNED FOR AND ON BEHALF OF  
INTER-AMERICAN INSTITUTE  
FOR COOPERATION ON AGRICULTURE**



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Cynthia Currie  
**IICA Representative in Jamaica**