



**Memorandum of Understanding**

**between**

**The International Trade Centre**

**and**

**COMESA Leather and Leather Products Institute**

*JTC*  
*COMESA*

# **Memorandum of Understanding**

**between**

**The International Trade Centre**

**and**

**COMESA Leather and Leather Products Institute**

WHEREAS the International Trade Centre (hereinafter referred to as "ITC"), with headquarters at Geneva, Switzerland, the development partner for trade success, is the joint technical cooperation agency of the World Trade Organization and the United Nations;

WHEREAS ITC in its aim to contribute to the achievement of the goals of the United Nations post-2015 Development Agenda, generates sustainable incomes and livelihoods especially for poor households, by connecting enterprises to regional and global markets and enables small business trade success in developing and transition countries by providing, with partners, inclusive and sustainable trade development solutions to the private sector, trade and investment support institutions (TISIs) and policy-makers;

WHEREAS ITC aspires to hold up the values of vision, integrity, excellence, pragmatism and responsiveness;

WHEREAS ITC is leveraging on its strategic objectives which are: building awareness and improving the availability and use of trade intelligence; strengthening TISIs; enhancing policies for the benefit of exporting enterprises; building the export capacity of enterprises to respond to market opportunities; mainstream inclusiveness and sustainability into trade promotion and export development policies;

WHEREAS ITC bases its integrated solutions around the following focus areas where the organization has a comparative advantage in providing: (1) trade and market intelligence for small and medium-sized enterprises (SME) competitiveness; (2) supporting regional economic integration and South-South trade; (3) connecting value chains: SME competitiveness, diversification and links to export markets; (4) strengthening TISIs; (5) promoting and mainstreaming inclusiveness and green trade; and (6) building a conducive business and policy environment through public-private dialogues;

WHEREAS Common Market for Eastern and Southern Africa - Leather and Leather Products Institute (hereinafter referred to as "COMESA/LLPI"), with headquarters at Akaki Kality, Addis Ababa, Ethiopia, was chartered in 1990, with the endorsement of 17 COMESA Heads of State;

WHEREAS COMESA, along with the Southern African Development Community (SADC) and East African Community (EAC), is a signatory to the proposed Tripartite Free Trade

Area (TFTA) Agreement which supports economic integration in Africa through promotion of three main pillars: market integration, infrastructure development and industrial development;

WHEREAS COMESSA/LLPI aspires to be Africa's premier leather sector centre of excellence in the global arena and increase the production and export of value added products in order to promote job creation, income and economic growth;

WHEREAS COMESA/LLPI's mandate is to facilitate the development of the leather sector in the COMESA Region and connect partners, enterprises, institutions for value addition and competitiveness in the leather sector through its strategic objectives to: (1) enhance COMESA/LLPI capacity to share best practices and strengthen value chain networks; (2) enhance value addition through Clusters/Service Centres development; (3) facilitate and promote the strengthening of the regional leather value chain; (4) build a comprehensive production and trade data base for the leather sector; (5) build Member States' institutional capacity to deliver support services and policies; (6) facilitate the development and implementation of occupational health and environmental management standards in the leather industry; and, (7) facilitate leather development and investment and resource mobilization. COMESA/LLPI's seven strategic objectives represent an integrated response to promote leather sector value chains and clusters at the local and regional level.

WHEREAS COMESA/LLPI's institutional strategy supports the promotion of value addition in the leather sector particularly in the following strategic target markets: wet blue leather; crust leather; finished leather; shoes; bags, wallets, belts; and, garments;

WHEREAS COMESA/LLPI implements its institutional strategy using an approach entitled 'Sharing of Knowledge, Adaptation and Adoption' (hereinafter referred to as "SAA") in intervention activities at various levels of the value chain to link and strengthen institutions, share knowledge and best practices to promote improved competitiveness of the leather industry;

WHEREAS ITC and COMESA/LLPI have previously partnered together in the facilitation of a regional leather strategy in 2012 and in implementation of ITC's 'Programme for African Capacity for Trade' for development of trade between COMESA countries, Italy and India of which the leather industry was a component;

WHEREAS ITC and COMESA/LLPI have agreed to work together in two areas: i) to mobilise funding for implementation of intervention activities related to development of the leather industry in the region and beyond<sup>1</sup>; and ii) in the implementation of COMESA/LLPI institutional strategy, which is a vehicle for implementing the COMESA regional Leather Value Chain Strategy, thus catalysing the implementation of COMESA/LLPI Member Countries' Leather Value Chain Strategies;

**NOW, THEREFORE**, ITC and COMESA/LLPI (hereinafter collectively referred to as the "Parties", and each individually as a "Party") have agreed to the following:

**Article 1: PURPOSE**

The purpose of this Memorandum of Understanding (hereinafter referred to as "MOU") is to provide the framework of cooperation between ITC and COMESA/LLPI in development of the leather and leather lifestyle sectors in COMESA countries involving:

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<sup>1</sup> COMESA/LLPI charter empowers it to work with non-COMESA Member States, thus it can work with countries outside the COMESA region.



- (a) Design of project proposals using participatory, private-sector led methodologies for development of the leather sector that are aligned with ITC strategic objectives, COMESA/LLPI's Institutional Strategy and respond to the regional and national sector strategies of member countries of COMESA and the Southern African Development Community (SADC);
- (b) Subject to each Party's availability of funds, joint resource and investment mobilization efforts;
- (c) Joint project implementation for development of the leather sector at the national and regional level in alignment with private sector aspirations subject to funding availability;
- (d) Development of market linkages to facilitate development of the leather sector in COMESA member countries;
- (e) Development of monitoring and evaluation methodologies in alignment to private-sector led value chain development initiatives;
- (f) Visibility and advocacy through events that create awareness on the institutions' methodologies and approaches.

**Article 2: AREAS OF COOPERATION**

1. Subject to the availability of funds, the Parties' respective strategic frameworks and priorities, and without prejudice to the necessary approvals required pursuant to the Parties' internal regulations and rules in effect at the time of the planned implementation, the Parties' cooperation will be related to the areas of collaboration mentioned in Article 1.

2. The activities shall include but not be limited to:

- (a) Capacity building of value chain operators at the regional and national level with particular emphasis on promoting clean production, value added activities and competitive positioning of the leather and lifestyle product offer in COMESA member countries;
- (b) Development of market linkages and investment profiles on the leather value chain for prospective investors in COMESA member countries;
- (c) Environmental impact assessment and greening of the leather sector in COMESA member countries;
- (d) Support to enterprises in setting up systems for continuous monitoring of performance in COMESA member countries.

3. For the implementation of the aforementioned activities, COMESA/LLPI, in close consultation with ITC, shall be responsible for:

- (a) Joint organization of leather specific industry development workshops with participants from the industry;
- (b) Provision of technical support and co-facilitation of technical trainings to policymakers, enterprises and related support institutions that cover:
  - (i) Operations, production and quality;
  - (ii) Management and business operations;
  - (iii) Environmental management; and

(iv) Marketing;

- (c) Support implementation of monitoring and evaluation frameworks;
- (d) Cooperation on visibility/ advocacy initiatives.

4. For the implementation of the aforementioned activities, ITC, in close consultation with COMESA/LLPI, shall be responsible for:

- (a) Overall technical supervision and coordination of technical activities and inputs from stakeholders including national institutions and ensuring coherence within the agreed projects' approach, both at the national and local level;
- (b) Coordination with COMESA/LLPI and national institutions in the provision of support to policymakers, enterprises and support institutions;
- (c) Co-facilitation of the implementation of support activities;
- (d) Compilation, documentation and communication to stakeholders on all related knowledge, outputs and progress achievements;
- (e) Dissemination of market information and development of market linkages.

### **Article 3: CONTRIBUTIONS**

1. COMESA/LLPI will provide, at no cost to ITC, the following contributions targeting value chain actors:

- (a) Advisory support and training relevant to the projects' requirements, such as participatory approaches, market information, and linkages with potential commercial and public partners; whenever relevant.
- (b) The participation of COMESA/LLPI as well as COMESA/LLPI's implementing partners and experts in joint activities.

2. ITC will provide, at no cost to COMESA/LLPI and its partners in future projects, the following contributions targeting value chain actors:

- (a) Advisory support and training relevant to the projects' requirements, such as participatory approaches, market information, and linkages with potential commercial and public partners, whenever relevant; and
- (b) The participation of ITC as well as ITC's implementing partners and experts in joint activities related to the purpose of this MOU.

3. Both Parties shall deliver their respective contributions in accordance with the relevant projects' timelines which will be agreed in writing through supplementary agreements or amendments to this MOU specifically for each country.

### **Article 4: LICENSE**

1. Any tools, methodologies, documents or other materials distributed or rendered accessible as the case may be by ITC to COMESA/LLPI (the "ITC MOU Materials") in the framework of this MOU are provided free of charge to the COMESA/LLPI on a non-exclusive basis as a means to ensure timely implementation of activities under relevant projects and technical work on a non-commercial basis, uniquely for use of the COMESA/LLPI. Access to or use of the ITC MOU Materials for other purposes is strictly



prohibited without ITC prior written consent. COMESA/LLPI by signing this MOU acknowledges and agrees that all rights, title and interests in and to the ITC MOU Materials contributed by ITC, including without limitation, the copyright to the ITC MOU Materials and all intellectual property rights therein, belong to and are possessed or owned by ITC and that ITC retains the right to make such use of the ITC MOU Materials as it may consider necessary in its sole discretion. COMESA/LLPI shall, therefore, refrain from attributing in any manner whatsoever the ITC MOU Materials or any portion thereof to itself or to any person or entity other than ITC.

2. Any tools, methodologies, documents or other materials distributed or rendered accessible as the case may be by COMESA/LLPI to ITC (the "COMESAL/LLPI MOU Materials") in the framework of this MOU are provided free of charge to the ITC on a non-exclusive basis as a means to ensure timely implementation of activities under relevant projects and technical work on a non-commercial basis, uniquely for use of the ITC. Access to or use of the COMESAL/LLPI MOU Materials for other purposes is strictly prohibited without COMESA/LLPI prior written consent. ITC by signing this MOU acknowledges and agrees that all rights, title and interests in and to the COMESAL/LLPI MOU Materials contributed by COMESAL/LLPI, including without limitation, the copyright to the COMESAL/LLPI MOU Materials and all intellectual property rights therein, belong to and are possessed or owned by COMESAL/LLPI and that COMESAL/LLPI retains the right to make such use of the COMESAL/LLPI MOU Materials as it may consider necessary in its sole discretion. ITC shall, therefore, refrain from attributing in any manner whatsoever the COMESAL/LLPI MOU Materials or any portion thereof to itself or to any person or entity other than COMESAL/LLPI.

#### **Article 5: IMPLEMENTATION OF THE MOU**

1. The Executive Director of COMESA/LLPI and the Executive Director of ITC shall make the necessary arrangements to ensure the satisfactory implementation of the MOU.

2. The Parties agree to communicate on a regular basis to exchange views and report on accomplishments with regard to this MOU.

3. The Parties shall regularly monitor and review their activities under this MOU, and evaluate the results of the implementation of geographic, sectoral and thematic programmes, in order to ascertain whether the objectives have been met and enable them to formulate recommendations with a view to improving future cooperation and activities. Work plans, performance indicators and outputs will be agreed separately for each project.

4. COMESA/LLPI will report in-kind contributions every six (6) months for the duration of this MOU using a format and tables provided by ITC.

5. ITC will report in-kind contributions every six (6) months for the duration of this MOU using a format and tables provided by COMESA/LLPI.

6. Without prejudice to the provisions of Article 15 (Settlement of Disputes), whenever the receipt of in-kind contribution from COMESA/LLPI or ITC and/or the timely completion of the activities by ITC or COMESA/LLPI is delayed or disrupted, ITC and COMESA/LLPI will jointly investigate all possible remedial actions to be taken.

7. In order to implement any specific joint projects undertaken within this MOU, the Parties shall conclude additional separate agreements, which shall outline the activities

agreed upon within the projects, along with the responsibilities of each Party, including costs and expenses and how they are to be borne by the Parties.

8. Each Party having the responsibility to organize an agreed activity under this MOU shall apply its own administrative and financial regulations and comply with its own practices.

9. This MOU does not represent a commitment of funds on the part of ITC or COMESA/LLPI. Neither Party shall have the authority to act on behalf of, or be liable for the acts of the other Party or bind the other Party in any way.

#### **Article 6: VISIBILITY**

1. COMESA/LLPI acknowledges and agrees that ITC, in its sole discretion, may provide appropriate acknowledgement concerning the Parties' collaboration under this MOU and therefore publish in any form and medium, including on its website the name of COMESA/LLPI and the purpose of the present cooperation.

2. COMESA/LLPI shall not, in any manner whatsoever, use the name, emblem or official seal of ITC, or any abbreviation of the name of ITC in connection with its business or otherwise without the prior written permission of the ITC. Under no circumstances shall authorization be provided to use the name, emblem or official seal of ITC, or any abbreviation of the name of ITC, for commercial or profit purposes.

3. ITC acknowledges and agrees that COMESA/LLPI, in its sole discretion, may provide appropriate acknowledgement concerning the Parties' collaboration under this MOU and therefore publish in any form and medium, including on its website the name of ITC and the purpose of the present cooperation.

4. ITC shall not, in any manner whatsoever, use the name, emblem or official seal of COMESA/LLPI, or any abbreviation of the name of COMESA/LLPI in connection with its business or otherwise without the prior written permission of the COMESA/LLPI. Under no circumstances shall authorization be provided to use the name, emblem or official seal of COMESA/LLPI, or any abbreviation of the name of COMESA/LLPI, for commercial or profit purposes.

5. COMESA/LLPI shall not make any announcement or issue press releases in connection with the existence or subject matter of this MOU without first obtaining the written permission of ITC.

6. ITC shall not make any announcement or issue press releases in connection with the existence or subject matter of this MOU without first obtaining the written permission of COMESA/LLPI.

#### **Article 7: DURATION**

This MOU shall become effective upon signature by both Parties, for a period until 30 June 2021, on the understanding that either Party is at liberty to terminate it at any time, after furnishing to the other Party a written notice of termination sixty (60) days in advance of the date on which the Party furnishing such notice wishes to have the MOU terminated.



## **Article 8: AMENDMENT**

This MOU may be amended only by written agreement of the Parties. Either Party may request amendments to this MOU. Any such amendments must be mutually agreed upon by and between the Parties and be recorded in writing. Amendments inserted or attached to this MOU will have the effect of updating the MOU and will become effective when signed by both Parties.

## **Article 9: RELATIONSHIP BETWEEN THE PARTIES**

1. Nothing in this MOU shall create any employer/employee, agency, distributor, partnership or any form of joint venture relationship between the Parties. Except, as expressly set forth in this MOU, neither Party shall have the authority to act on behalf of, be liable for the acts of the other Party or bind the other Party in any way. The Parties hereby recognize that this collaboration under this MOU is non-exclusive.

## **Article 10 CONTACTS AND NOTICES**

1. For purposes of communication, requests or notices with respect to this MOU,

ITC shall be represented by:

Mr. Anders Aeroe, Sector Competitiveness  
Division of Enterprises and Institutions  
At the following address:  
Palais des Nations, 1211 Geneva 10, Switzerland  
E-mail: [aeroe@intracen.org](mailto:aeroe@intracen.org)

COMESA/LLPI shall be represented by:

Prof. Mwinyikione Mwinyihija  
Executive Director  
At the following address:  
P.O.BOX: 2358 Code 1110  
Addis Ababa, Ethiopia  
E-mail: [nmudungwe@comesa-llpi.int](mailto:nmudungwe@comesa-llpi.int)

2. Unless otherwise specified, all communications between the Parties should be between the above representatives.

## **Article 11: ENTIRE AGREEMENT**

This MOU contains and constitutes the entire agreement and understanding of the Parties concerning the subject matter hereof and supersedes any and all prior or other representations, communications, understandings, agreements and proposals, whether written or oral, by and between the Parties on this subject.

## **Article 12: ITC LEGAL STATUS**

The International Trade Centre is a joint subsidiary organ of the World Trade Organization and the United Nations and enjoys privileges and immunities by the Convention on the Privileges and Immunities of the United Nations adopted by the General Assembly of the United Nations on 13 February 1946. COMESA/LLPI's agents



or employees shall not be considered in any respect as being officials or staff members of ITC.

#### **Article 13: LEGAL STATUS OF COMESA/LLPI**

The COMESA/LLPI represents and warrants to ITC that (i) it is an Intergovernmental organization and enjoys privileges and immunities as States in its Charter with legal personality, duly incorporated and validly existing under the laws of Ethiopia; (ii) it has the power and authority to enter into and perform the obligations to be assumed by the COMESA/LLPI under this MOU; (iii) it has taken all necessary internal steps to authorize the execution, delivery and performance of this MOU; and (iv) that the entering into, execution, and performance by the COMESA/LLPI of the activities under this MOU do not violate any law or regulation applicable to the COMESA/LLPI or its constitutive documents; and (v) that the signatory of the COMESA/LLPI has full power and authority to sign individually this MOU in the name and on behalf of the COMESA/LLPI. ITC's agents or employees shall not be considered in any respect as being officials or staff members of COMESA/LLPI.

#### **Article 14: NO WAIVER**

Any waiver or excuse by a Party of a breach of a provision of this MOU will not operate or be construed to be a waiver or excuse of any other breach of that provision or of any breach of any other provision of this MOU. A failure or a delay by a Party to insist upon strict adherence to any term of this MOU will not be considered a waiver or deprive that Party of the right thereafter to insist upon strict adherence to that term or any other term of this MOU. Any waiver must be in writing and signed by the Party giving the waiver or excuse.

#### **Article 15: SETTLEMENT OF DISPUTES**

1. The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the MOU or the breach, termination, or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the Conciliation Rules then obtaining of the United Nations Commission on International Trade Law (hereinafter referred to as "UNCITRAL"), or according to such other procedure as may be agreed between the Parties in writing.

2. Any dispute, controversy, or claim between the Parties arising out of the MOU or the breach, termination, or invalidity thereof, unless settled amicably under paragraph 1 of this Article, within sixty (60) days after receipt by one Party of the other Party's written request for such amicable settlement, shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The decisions of the arbitral tribunal shall be based on general principles of international commercial law. The arbitral tribunal shall be empowered to order the return or destruction of goods or any property, whether tangible or intangible, or of any confidential information provided under the MOU, order the termination of the MOU, or order that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the MOU, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to Article 26 ("Interim Measures") and Article 34 ("Form and Effect of the Award") of the UNCITRAL Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the MOU, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate ("LIBOR") then prevailing, and any such interest shall be simple interest only. The Parties shall be

bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

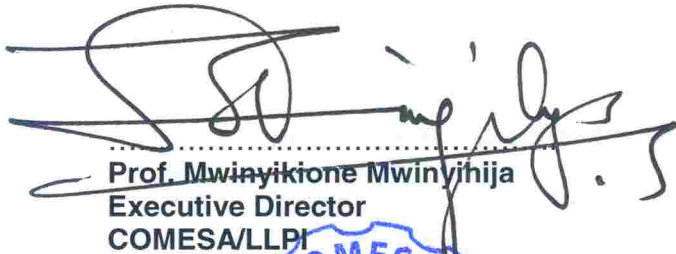
3. Nothing in or relating to this MOU shall constitute nor imply the waiver by the ITC of any of its privileges and immunities.

4. Nothing in or relating to this MOU shall constitute nor imply the waiver by the COMESA/LLPI of any of its privileges and immunities.

**IN WITNESS HEREOF**, the undersigned, being duly authorized thereto, have on behalf of the Parties hereto signed this MOU in two (2) originals in English at the place and on the day below written.

At Addis Ababa, on 14/12/2016

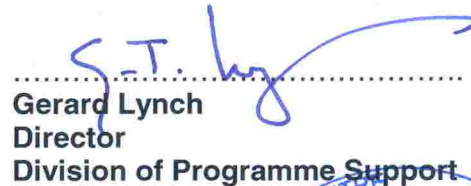
For and on behalf of the COMESA  
Leather & Leather Products Institute:

  
Prof. Mwinikione Mwinjihija  
Executive Director  
COMESA/LLPI



At Geneva, on 02/12/2016

For and on behalf of the  
International Trade Centre:

  
Gerard Lynch  
Director  
Division of Programme Support

