

BILL & MELINDA
GATES *foundation*

November 21, 2007

Gilbert Hougbo
Assistant Secretary-General, Assistant Administrator and Director
Regional Bureau for Africa,
United Nations Development Programme
One United Nations Plaza, DC1-2428
New York, NY 10017

Re: Grant Number 45498
Project Name: Expansion of Successful Poverty Reduction and Women's Empowerment Model in West Africa

Dear Mr. Hougbo;

The Global Development Program of the Bill & Melinda Gates Foundation (the "Foundation") is pleased to award the United Nations Development Programme ("UNDP") a project support grant in the amount of \$18,999,839.00 for the period from December 15, 2007 to December 31, 2011 (the "Grant Period"). The purpose of the grant is to establish sustainable, replicable rural agro-enterprises in West Africa (the "Project"), as described in your proposal and budget dated June 1, 2007 and as amended by updated budget dated November 9, 2007 (the "Proposal"). This letter (the "Grant Agreement") summarizes the terms and conditions under which the Foundation has awarded this grant to you.

Tax-Exempt Status. You have confirmed that UNDP is an official Programme of the United Nations and as such is tax-exempt from United States federal income tax under the International Organizations Immunities Act, 22 USC 288, Executive Order 9698. You agree to advise us immediately if there is any change in your organization's exempt status during the term of this grant.

Use of Grant Funds. You will use the grant funds only for the Project as described in your proposal and such activities shall be carried out in accordance with UNDP's applicable financial regulations, rules and procedures. Grant funds may not be used for lobbying. Any increases or decreases to the budget line for more than 10% must be approved by the Foundation in advance in writing. We encourage you to deposit the grant funds in an interest-bearing account and require that you apply any interest earned to the purposes of the grant. Any portion of the grant funds unexpended or uncommitted at the end of the grant period will revert to the Foundation.

1551 Eastlake Avenue East
Seattle, WA 98102-3706
U.S.A.
V 206.709.3100
F 206.709.3180
www.gatesfoundation.org

Investment of Grant Funds. All unspent or uncommitted grant funds must be invested in highly liquid investments (such as an interest-bearing bank account) with the primary objective of preservation of principal so that they remain available for the funding of the Project in the manner described in the Proposal. Any interest or other income generated by the grant funds, including currency conversion gains, must be applied to the charitable purposes of the Project.

Anti-Terrorism. Consistent with numerous United Nations Security Council resolutions, including S/RES/1269 (1999), S/RES/1368 (2001), and S/RES/1373 (2001), both the Foundation and UNDP are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of the Foundation to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, UNDP undertakes to use reasonable efforts to ensure that none of the Foundation funds provided under this grant agreement are used to provide support to individuals or entities associated with terrorism

Subgrants and Subcontracts. The Proposal indicates that a portion of the grant funds will be paid to subgrantees and/or subcontractors to assist in the completion of the Project. You acknowledge that the Foundation: (a) does not approve the selection of any of your subgrantees or subcontractors; (b) has not earmarked the use of the grant funds for any other organization or individual involved in the Project; and (c) will not oversee the activities or use of grant funds by such subgrantees or subcontractors. You remain responsible for ensuring that any subgrantee or subcontractor uses grant funds consistent with the terms and conditions of this Grant Agreement and the Proposal. Neither you nor your subgrantees or subcontractors may state to investors, media or the general public that the Foundation supports the activities of any subgrantee or subcontractor, and you agree to include the following stipulation in any agreements with subgrantees and subcontractors you engage to assist with the Project: "Your organization has been selected to participate in this Project at our discretion and you may not make any statement or otherwise imply to the media, the general public or any other donor or investor that your implementing partner, its operations, or its participation in this Project is supported by any organization other than UNDP, unless your organization has directly received funds from the other organization."

Payment of Grant Funds. The Foundation will disburse grant funds to you via wire transfer in four installments upon the Foundation's receipt of this Grant Agreement signed by an authorized officer of your organization, and upon the satisfactory completion by you of all the terms and conditions, including any performance milestones, contained in this Grant Agreement or in the Proposal according to the following schedule:

| Payment Date | Payment Amount | Contingent upon |
|--|-----------------------|--|
| Within 15 days following receipt of the counter-signed grant agreement | \$5,338,587.00 | Receipt of signed grant agreement by November 23, 2007 |
| March 31, 2009 | \$5,396,854.00 | Satisfactory Annual Narrative and Financial Report |
| March 31, 2010 | \$5,027,795.00 | Satisfactory Annual Narrative and Financial Report |
| March 31, 2011 | \$3,236,603.00 | Satisfactory Annual Narrative and Financial Report |

The amounts of these disbursements have been set to ensure adequate funds are available as required for approved project expenditures, and do not constitute a change to the approved Project budget.

Reporting. You are required to submit seven progress reports and a final report to the Foundation regarding the expenditure of grant funds and your progress in achieving the purposes for which the grant was made. You will be provided with the Foundation's Reporting Guidelines several months prior to the due date of your report. Reports should be submitted electronically to the attention of Diana Gruszczynski, Associate Program Officer, diana.gruszczynski@gatesfoundation.org, at the Foundation in accordance with the schedule below:

| Due Date | Reporting Period | Report Type |
|------------------|---------------------------------------|---------------------------------------|
| July 31, 2008 | December 15, 2007 – June 30, 2008 | Interim Narrative Report |
| January 31, 2009 | December 15, 2007 – December 31, 2008 | Annual Narrative and Financial Report |
| July 31, 2009 | January 1, 2009 – June 30, 2009 | Interim Narrative Report |
| January 31, 2010 | January 1, 2009 – December 31, 2009 | Annual Narrative and Financial Report |
| July 31, 2010 | January 1, 2010 – June 30, 2010 | Interim Narrative Report |
| January 31, 2011 | January 1, 2010 – December 31, 2010 | Annual Narrative and Financial Report |
| July 31, 2011 | January 1, 2011 – June 30, 2011 | Interim Narrative Report |
| March 31, 2012 | December 15, 2007 – December 31, 2011 | Final Narrative and Financial Report |

Communications, Meetings, and Visits. In addition to the reports described above, you agree to be in regular communication with the Foundation throughout the grant period regarding the progress and your success in achieving the charitable objectives set forth in the Proposal. In particular, you will notify the Foundation in writing within two weeks of any major development in the implementation of the Project that is likely to have a material impact on its ability to achieve the Project's objectives. You and relevant project staff agree to be available for periodic meetings and phone calls with staff of the Foundation to discuss the Project and to facilitate communications and visits by the Foundation's staff to sub-projects being supported by the grant.

Additional Reports. The Foundation reserves the right to request, and you agree to provide, additional reports as needed to monitor the progress of the Project. If additional reports are requested, you will be provided with the specific details and/or forms for the report at least 30 days in advance. In the event that all grant funds are not expended by the date the Final Report is due, your organization agrees to provide additional Interim Narrative and Financial Reports for each year grant funds remain unexpended and to prepare a Final Report when all such funds are spent for the purposes of the grant.

Milestones. In order for an interim report to be deemed satisfactory, you must demonstrate meaningful progress against the specific agreed-upon milestones as described in the Proposal and/or as set forth in [Exhibit A](#) to this Grant Agreement. These milestones are not intended to be a complete statement of all milestones that you are required to achieve for the Project; one or more additional milestones may be mutually agreed upon at a later date.

Record Maintenance and Inspection. The grant and Project activities financed therefrom shall be subject exclusively to the internal and external audit laid down in the UNDP financial regulations and rules. The Foundation may visit UNDP to discuss and review materials relating to the progress of the Project. During such visits, UNDP can provide ‘financial information’ derived from the books and accounts – but not the books and accounts themselves.

Compliance. If we are not satisfied with the progress of the Project for which you have received grant funds, or the content of any written report, we will discuss the reasons for the dissatisfaction with you, and thereafter if no satisfactory agreement can be reached, we reserve the right to discontinue funding, provided that the payments already received are sufficient to meet all previously made commitments and liabilities incurred in the implementation of the Project

Evaluation. The Foundation values research on the impact of programs funded through its initiatives. You agree to assist the Foundation’s evaluation contractors, subject to UNDP regulations, rules and policies, by providing information, participating in interviews, and generally communicating your support of our evaluation efforts in working with Project partners and the general public. You will have the opportunity to review for factual accuracy and provide us feedback regarding any reports written about your organization.

Publication. You agree that you will make available to the public the results of the research emerging from the Project, or any reports or other publications regarding the Project funded by this grant (collectively, the “Materials”), and anticipate that the Materials will be published in a treatise, thesis, trade publication, or in any other format that is available for the interested public as soon as practical, consistent with the need to first secure intellectual property rights in a manner that maximizes the benefits to developing world interests. Specifically, you are expected to use good faith efforts and work in a collaborative fashion with your subcontractors and funders associated with the Project to facilitate broad dissemination and accessibility of the Materials in the developing world. In addition, one copy (electronic or hard copy) of each of the Materials must accompany the annual or final progress report submitted to the Foundation for the period in which such Materials were created.

Grant Announcements; Public Reports and Use of Name and Logo. We may include information on this grant in our respective periodic public reports and may make information about this grant public at any time on our respective web pages and as part of press releases, public reports, speeches, newsletters, and other public documents subject to below.

The Foundation may refer to your name and/or abbreviation in the Foundation’s financial statements, accounts and grant reports or in any documents that the Foundation is required to file to any competent authorities or where otherwise such disclosure is required by any law, rules and regulations applicable to it. Further, the Foundation may list your name and/or abbreviation in its list of grantees together with reference to the amount so granted by the Foundation pursuant to this MOU and/or a brief description of the Project. You may refer to the grant received from the Foundation together with a brief description of the Project and/or the amount of grant in your financial statements, accounts, Project reports and otherwise include the Foundation’s name in the list of your donors.

If either of us wish to issue a press release or report announcing this grant (save as described in the paragraph immediately above), or otherwise use each other's name, abbreviations, emblems or logo (as applicable), please contact Alyson McColl at (202) 572-2807 or alyson.mccoll@GMMB.com or regarding the use of the Foundation's name or logo, or Lena Sinha, Principal Adviser for Foundation Affairs at UNDP at (212) 906-6025 or lena.sinha@undp.org, regarding the use of UNDP's name, abbreviations or emblem, at least two weeks before the desired announcement or publication date. We agree to obtain advance approval from each other of the press release and the date of release, or of any other use of our respective names, abbreviations, logos or emblems, as applicable. We shall afford each other an opportunity to review and comment on subsequent press releases or reports that are directly related to the grant.

Privileges and Immunities. Nothing in or related to this Grant Agreement or any other document in relation thereof shall be deemed a waiver of any of the privileges and immunities of the United Nations, including UNDP.

Entire Agreement; Amendment. This Grant Agreement constitutes our entire agreement and supersedes any prior oral or written agreements or communications between us regarding its subject matter. The provisions of this Agreement are severable so that if any term or provision is found for any reason to be invalid, illegal, or unenforceable, such finding shall not affect the validity, construction, or enforceability of any remaining term or provision. This Grant Agreement may be amended or modified only by a mutual written agreement of the parties.

If this letter correctly describes your understanding of the terms of this grant, please sign both copies and return one to Amsale Mengistu, Grants Manager at the Foundation. Please keep the other copy for your records. If you have questions, please contact Amsale at 206.709.3377 or amsale.mengistu@gatesfoundation.org

We value our relationship with UNDP and believe this project will contribute significantly to the knowledge of the agriculture sector and help identify opportunities for maximizing impact in this space.

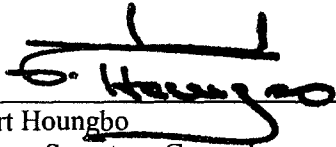
On behalf of the Foundation, may I extend every good wish for the success of your work.

Sincerely,



Raj Shah, M.D.
Director, Agricultural Development
Global Development Program
Bill & Melinda Gates Foundation

United Nations Development Programme agrees to the terms and conditions of this Grant Agreement.



Gilbert Houngbo
Assistant Secretary-General
Assistant Administrator and Director

11/26/07

Date

cc: Bakari Bakari, Director of Operations
Global Development Program
Bill & Melinda Gates Foundation

Exhibit A - Milestones

As required by the terms of the grant agreement, the achievement of all milestones must be documented in the required Annual Narrative and Financial Report for the relevant period.

| Activity/Milestone | Target Date |
|---|----------------|
| Recruitment of MFP coordinator to be seated in the Regional Programme | December 2007 |
| Request for Expression of interest from potential M&E partners | January 2008 |
| Field visit for M&E partners to provide them with information needed to make technical/financial proposal | March 2008 |
| All staff in the regional MFP team are recruited | March 2008 |
| TORs for M&E finalized and partner selected | April 2008 |
| Revised project outputs, indicators and outcomes | April 2008 |
| Initial assessments on past MFP experiences available | September 2008 |
| 90 MFPs Installed and operated by trained women's groups | December 2008 |
| M&E system set up in all 4 countries | December 2008 |
| Review of opportunities in at least 2 countries to expand technology options for the MFP that could increase and diversify income-generating opportunities along the agricultural value chain. | December 2008 |
| 12 MFPS using biofuels in MFPs installed. | December 2008 |
| Develop and disseminate communication/advocacy materials | December 2008 |
| A mechanism to provide flexible source of funding is established to accelerate the expansion of technology options for the MFP, which could increase and diversify income-generating opportunities along the agricultural value chain | January 2009 |
| Meet with AGRA and other market access project partners to discuss potential linkages with agricultural production strategies and review ownership and management structures for processing equipment. | March 2009 |
| Expand financing options by supporting national partners in identifying micro-credit institutions and developing partnerships to extend micro-credit to MFP community partnerships in 2 countries. | June 2009 |

| Activity/Milestone | Target Date |
|--|----------------|
| MFP programs are mainstreamed into 2 national policies with budget allocation. | June 2009 |
| Develop and launch full-scale national MFP programs and lending proposals in 2 countries | September 2009 |
| Thematic assessments available, including proposal for scalable and replicable agro enterprise business model | August 2009 |
| 180 MFPs Installed and operated by trained women's groups | December 2009 |
| 3 prototypes are available that expand technology options for the MFP | January 2009 |
| Results of research and test of using biofuels in MFPs are available | February 2010 |
| Midterm Evaluation | June 2010 |
| Expand financing options by supporting national partners in identifying micro-credit institutions and developing partnerships to extend micro-credit to MFP communities partnerships in 1 additional country | April 2010 |
| Thematic assessments available | August 2010 |
| 3 additional prototypes are available that expand technology options for the MFP | December 2010 |
| 210 MFPs Installed and operated by trained women's groups | December 2010 |
| Thematic assessments available, including proposal for scalable and replicable agro enterprise business model | March 2011 |
| Strategy for replicating MFP agro-enterprises elaborated | June 2011 |
| 120 MFPs Installed by trained women's groups | June 2011 |
| MFP programs are mainstreamed into 1 additional national policy with budget allocation. | June 2010 |
| Strategy for replicating MFP agro-enterprises shared at sub regional and regional level | September 2011 |
| Develop and launch full-scale national MFP programs and lending proposals in 1 additional country | October 2010 |
| Final Evaluation | December 2011 |