



MEMORANDUM OF UNDERSTANDING

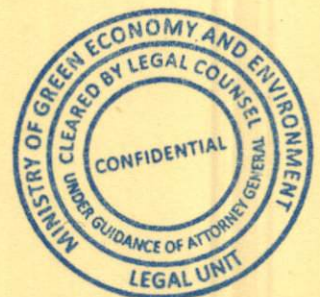
BETWEEN

MINISTRY OF GREEN ECONOMY AND ENVIRONMENT

AND

COMMUNITY MARKETS FOR CONSERVATION LIMITED

June, 2025



This Memorandum of Understanding (herein referred to as "**MOU**") is made theday of, two thousand and twenty-five **BETWEEN** the Government of the Republic of Zambia acting through the **Ministry of Green Economy and Environment (hereinafter referred to as "MGEE")** whose address is Corner of John Mbita and Nationalist Roads, Lusaka of the one part

AND

Community Markets for Conservation Limited (hereinafter referred to as "COMACO Ltd."), having its principal office at Light Industrial Area, Plot No: 7223, Kachidza Road, Lusaka a non-profit, limited-by-guarantee company organized under the laws of Zambia, headquartered in Lusaka.

WHEREAS:

- a. MGEE is a Zambian Government Ministry dedicated to a healthy, safe and protected environment and market forces for building and sustaining conservation solutions for land and biodiversity protection.
- b. COMACO's charitable objectives include the support of sustainable agriculture and land use practices and use of market incentives to promote community-led solutions that reduce conflicts with Nature.
- c. The goal of the MoU is to strengthen collaboration between the two institutions to build stronger financial, technical, administrative, and policy support for addressing the challenges of land degradation, diminishing forest cover, and biodiversity loss.
- d. MGEE is authorized and mandated by the Laws of Zambia to establish viable conservation strategies that reduce carbon emissions, protect forests, and promote market-based solutions to sustain and achieve these outcomes.
- e. The rationale for the MoU is based on
 - i. the need to accelerate solutions and efforts by local communities to be effective stewards of their local natural resources for the protection of biodiversity and the reduction of greenhouse gas emissions, which will depend on markets that can drive households to adopt the necessary skills and practices to achieve these outcomes;



- ii. The need to contribute government's developmental strategy, in particular the Eighth National Development Plan(8NDP) 2022-2026, which envisages sustainable environment and natural resource management to enhance mitigation and adaptation to climate change through improved policy and effective governance of the environment.
 - iii. Whereas COMACO Ltd. desires to collaborate with MGEE to share its innovations and experiences in the carbon, energy and food product sectors to expand its impact on transforming small-scale farmer communities in the adoption of sustainable land stewardship practices for improved environmental outcomes and related market opportunities.
- f. MGEE and COMACO Ltd. seek to work together towards a more environmentally sustainable economy that elevates the importance of small-scale farmers and their community leaders as key to harmonizing Zambia's conservation challenges and to help innovate national strategies on such needs as alternatives to charcoal to help make this harmonization possible; and
- g. MGEE and COMACO Ltd. hereby agree to collaborate as set forth in this MoU to strengthen and utilize each other's skills and capacities to promote a common vision for a green economy that will drive solutions for Zambia's contribution to greenhouse emission reductions and biodiversity protection.

RELATING TO:

Establishment of technical cooperation and program development for the promotion of:

- a. sustainable, eco-agricultural practices that link improved yields with increased carbon capture in farm soils,
- b. community capacity to manage local forest resources,
- c. systems for monitoring community accountability of resource protection and documenting and disseminating lessons-learned,
- d. market opportunities that reward community efforts to reduce emissions and protect biodiversity,
- e. business solutions and innovations for addressing conservation challenges,
- f. community-private sector partnerships as well as government-private sector partnerships for supporting jurisdictional approaches in meeting climate change mitigation targets,
- g. national strategies for reducing deforestation,
- h. multi-stakeholder collaboration for continued policy improvements and



- i. joint efforts for mutual resource mobilization to support ecosystem services for an enhanced green environment.

NOW, THEREFORE, THE PARTIES HEREBY AGREE as follows:

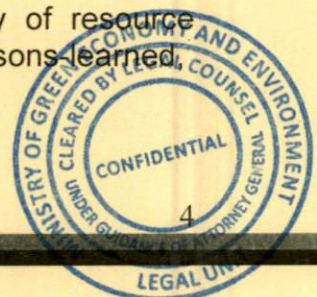
1. DEFINITIONS

- 1.1 **"The MoU"** means the Memorandum of Understanding between MGEE and COMACO
- 1.2 **"GRZ"** means the Government of the Republic of Zambia of which MGEE is part;
- 1.3 **"MGEE"** means the Ministry of Green Economy and Environment
- 1.4 **"COMACO"** means Community Markets for Conservation.
- 1.5 **"Annual General Meeting"** means the meeting held once a year called by MGEE and chaired by the Director Climate Change to discuss and deliberate matters pertaining to planning, implementing and evaluating activities conducted under this MoU.
- 1.6 **"Party" or "Parties"** means a party to this MoU, in this case MGEE and COMACO.
- 1.7 **"COMACO model or model"** refers to the approach of using demand driven market-based incentives that drive farmer-based or community-based practices supporting sustainable, eco-agricultural and land use practices.

All other capitalized terms will have the meaning ascribed to them in the MoU.

2. OBJECTIVES AND SCOPE

- 2.1 The parties will collaborate to help build increased technical cooperation and program development for the promotion of ;
 - a. community-driven sustainable, eco-agricultural practices that link improved yields with increased carbon capture in farm soils,
 - b. community capacity to manage local forest resources with direct immediate and long-term benefits to local communities,
 - c. systems for monitoring community accountability of resource protection and documenting and disseminating lessons learned.



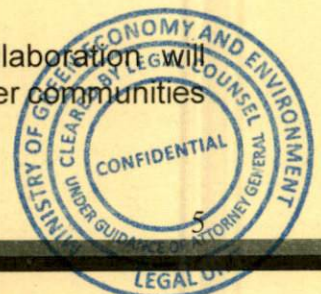
- d. market opportunities that reward community efforts to reduce emissions and protect biodiversity,
 - e. business solutions and innovations for addressing conservation challenges,
 - f. community-private sector partnerships as well as government-private sector partnerships for supporting jurisdictional approaches in meeting climate change mitigation targets,
 - g. participatory approaches to planning for national strategies for reducing deforestation,
 - h. multi-stakeholder collaboration for continued policy improvements,
 - i. joint efforts for mutual resource mobilization to support ecosystem services for an enhanced green environment, and;
 - j. participatory community-based land use planning and enforcement of local by-laws to protect natural resources
- 2.2 The proposed collaboration will adhere to mutually agreed conditions of cooperation that will safeguard intended results and will reinforce the needs for both parties to sustain jointly-supported or agreed-to activities in support of reduced greenhouse gas emission and increased biodiversity protection.
- 2.3 The parties agree to join efforts and to maintain close working relationships in order to achieve the MoU objectives.

3. COMMENCEMENT AND DURATION

- 3.1 This MoU will come into force on the date of last signature and will continue in force for five (5) years, unless either Party provides sixty (60) days' written notice to the other of its intent to terminate or not renew.
- 3.2 Either Party may terminate this MoU at any time within sixty (60) days' written notice to the other.

4. OBJECTIVES

- 4.1 Both parties agree that the objectives of the collaboration will promote the common goal of helping small-scale farmer communities



become co-equal but effective partners in mitigating problems of deforestation and biodiversity loss by prescribing to the following objectives:

- 4.2 Streamline administrative procedures to facilitate the efficient and cost-effective transfer of skills and responsibilities to local community authorities for the protection and sustainable management of forest resources, including the establishment of governance structures at community level and transfer of rights and responsibilities.
- 4.3 Direct needed investments and funding sources to proven, well-documented strategies or models that enhance community adoption of desired farming and land use practices that reduce deforestation and protect biodiversity
- 4.4 Establish the necessary monitoring and auditing systems to track the performance of local authorities to develop and implement community-agreed conservation plans designed to reduce deforestation and protect biodiversity
- 4.5 Incentivize or disincentivize as based on such measured performance to help drive continued local commitment to protect local forest resources and biodiversity
- 4.6 Facilitate and support the use of carbon markets and other appropriate markets that provide the necessary incentives to drive community stewardship of forest and biodiversity resources
- 4.7 Recognize the need for functioning and proven models that can facilitate an integrated livelihood approach for reducing greenhouse gas emissions through the combination of such sectors as agriculture, forestry, wildlife, and soils across multi-district, jurisdictional landscapes
- 4.8 Recognize the rightful and traditional role of local chiefs and village headpersons as key drivers to community-led solutions for forest and biodiversity protection
- 4.9 Enhance collaborative research to inform Government on needed policy reforms or such innovations or technologies that can facilitate conservation solutions at the community level
- 4.10 Collaborate and partner in the collective efforts to raise finance for the expansion of practices promoted by this MOU



- 4.11 Build and strengthen community ownership of strategies for reduced deforestation and improved land use practices.

5. OBLIGATIONS OF MGEE

- 5.1 Recognize and promote the COMACO model as a strategy for transforming and organizing small-scale farmers through such structures as Community Forestry Management Groups and Multi-purpose Farmer Cooperatives, together with their local chiefs and village headpersons, to collectively implement and enforce local conservation plans for the protection of forests and other natural assets strengthening jurisdictional policies by MGEE for meeting climate change mitigation targets
- 5.2 Contribute in all ways possible to support COMACO's efforts to scale the adoption of agroforestry with Gliricidia sepium as an agricultural-based solution to reducing deforestation and soil degradation by small-scale farmers
- 5.3 Enable COMACO to lead and develop the full market value of its investments in agroforestry as a source of financial incentives for local communities to remain compliant to farming practices that lower rates of deforestation
- 5.4 Establish ministerial communications links as needed by COMACO for addressing potential issues, opportunities, or problems that may arise in the course of implementing COMACO
- 5.5 Engage COMACO when funding opportunities arise that might enable COMACO to extend its model to other landscapes or strengthen efforts where it currently operates
- 5.6 Rely on COMACO among other partners to help lead, share knowledge, and derive carbon market opportunities for growing community commitment to protect local forests and biodiversity
- 5.7 Contribute in all ways possible to the continued development of COMACO in achieving the objectives of this MOU
- 5.8 Monitor COMACO's progress and recommend remedial measures as may be necessary.
- 5.9 Increase utilization of climate smart agriculture technologies and practices by farmers through the adoption of sustainable and environmentally friendly livelihood activities in a way to accelerate reforestation and afforestation of the environment.



6. OBLIGATIONS OF COMACO

- 6.1 Invest in value-added processing of farmer-based products under the It's Wild! for the purpose of returning increased value to local communities to adopt such practices that reduce deforestation and biodiversity loss
- 6.2 Support the on-going costs and required technical services to help MGEE establish a robust carbon market for meeting its climate change mitigation targets
- 6.3 Collaborate closely with MGEE to ensure carbon revenue shares maximize their impact on community needs to drive the greatest impact possible for reducing deforestation and biodiversity loss
- 6.4 Provide programmatic and technical leadership for the continued scaling of agroforestry adoption with Gliricidia sepium to enhance its contribution to reduced deforestation and soil carbon capture
- 6.5 Invest in the development of a carbon-based market derived from below-ground carbon sequestration by Gliricidia sepium as a market incentive for small-scale farmer communities to transition to agroforestry-based farming
- 6.6 Contribute to the development and improved cooperation and coordination of such community institutions as Community Forestry Management Groups, Multi-purpose Farmer Cooperatives, Chiefdom Conservation Task Forces, and Community Resources Boards to be active partners in the support of MGEE policies and programs
- 6.7 Share all relevant research studies and reports with MGEE as a basis for on-going collaboration in addressing deforestation, landscape management, biodiversity protection, and climate change challenges and to contribute to policy formulation.
- 6.8 Contribute to joint proposals and joint initiatives for tackling the key drivers of deforestation, namely charcoal-making (e.g., introduction of paraffin/kerosene cookers) and farm-related land clearing (e.g., scaling the adoption of agroforestry) with market incentives
- 6.9 Partner with the MGEE at national, provincial, district and community level in facilitating implementation of strategies and programs that promotes achievements of objectives of this MoU, including co-finance such implementations where funding is available



7. JOINT INITIATIVES

- 7.1 Both parties will commit to building working relationships among each other's staff to enhance synergies, program exposure and impact, policy improvements, and funding opportunities
- 7.2 Both parties will support efforts for sustainable utilization of natural resources which are the basis for wealth creation as well as building resilience to the adverse effects of climate change.
- 7.3 Both parties will coordinate efforts to strengthen existing operations to enhance the objectives of this MOU.
- 7.4 Both parties will engage each other's senior staff to conduct joint field trips to assess work, MOU progress, and opportunities or need for further collaboration
- 7.5 Where possible, both parties will engage in joint fund-raising to support applications of the COMACO model for program strengthening of MGEE policies.

8. CONDITIONS FOR IMPLEMENTATION

- 8.1 MGEE and COMACO will each designate representative who, at mutually agreed times upon by the Parties, will plan, implement and review the activities to be carried out under this MoU.
- 8.2 The Parties agree that in order to achieve the purpose of this MoU they will convene at the very least an Annual General Planning Meeting to plan and review the initiatives being implemented under the collaboration.
- 8.3 The Parties will make efforts to inform each other on the progress of activities supported under this MoU. Other activities outside this MoU, but likely to affect the implementation of this MoU, will also be communicated by the Parties.
- 8.4 Each Party retains ownership rights over any intellectual property including trademarks developed or created by that Party in the course of collaboration under this MoU. The Parties will agree separately on rights to joint intellectual property, if the case arises.



9. AMENDMENT, VARIATION AND MODIFICATION

- 9.1 Any amendments or revision to this MOU and its overarching framework shall be agreed upon through mutual consultation by both Parties as Annexes to the MOU.

10. TERMINATION

Either party may terminate this MoU as follows;

- 10.1 In the event of any material breach of the terms and conditions of MoU then the Party not in default may give notice to the other in writing requiring it to remedy such breach. If within fourteen (14) days of receipt of such notice the breach is still continuing the Party which is not in default may give seven (7) days written notice of termination to the party in default.
- 10.2 By advance written notification of two (2) months to the other Party. In the event of a Force Majeure that persists for six (6) months, either Party may terminate with written notification to the other.
- 10.3 At any time by mutual written agreement.
- 10.4 If COMACO engages in activities contrary to this MOU, or any written laws
- 10.5 Termination of this MoU will be without prejudice to any other rights or remedies, which may be available to either party hereto through observance of other legislation.

11. GOVERNING LAW

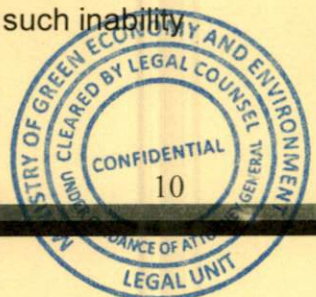
- 11.1 This MoU will be governed by and construed in accordance with the laws of the Republic of Zambia.

12. DISPUTE RESOLUTION

- 12.1 Any dispute that may arise out of or in relation to this MoU will be settled by mutual consultations, negotiations, and consent of the parties. Should the parties fail to resolve the dispute, either party may terminate the MoU in accordance with Article 7

13. FORCE MAJEURE

- 13.1 The failure by a party to fulfil any of its obligations under this MoU will not be considered as breach under this MoU insofar as such inability arises from an event of Force Majeure.



13.2 Any period, within which party, pursuant to this contract is expected to complete any action or task will be extended for a period equal to the time during which such party was unable to perform such action as a result of Force Majeure.

13.3 If Force Majeure arises, the party affected shall within two (2) weeks notify the other party following occurrence of such event, providing evidence of the nature and cause of such event, and shall give similar written notice of the restoration of normal conditions with two(2) weeks of such restoration.

13.4 For purposes of this clause, Force Majeure means any event which is beyond the reasonable control of a party and which makes a party's performance of its obligations under the MoU impossible or impractical. Such events may include, but not be limited to, wars or revolutions, fires, floods, epidemics, and quarantine restrictions.

14. MISCELLANEOUS

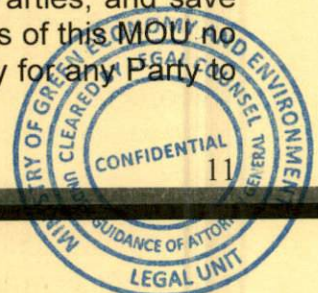
14.1 This MOU is non-exclusive and in no way restricts the Parties from collaborating with other bodies such as agencies, organizations and individuals.

14.2 Each Party is responsible for the safety and conduct of its staff or of any person that it may retain to carry out the activities described in this MoU or any addenda and to comply with the provisions of this MoU. No Party will, in any circumstances or for any reason, be held liable for loss or damage sustained or caused by another Party's employees, officers, directors, contractors or agents. In no event shall a Party be liable or responsible to the other Party for indirect, special, incidental, punitive, or consequential damages (including lost profits or lost savings), even if a Party is informed of their possibility.

14.3 Except as expressly provided, this Agreement does not obligate any Party to provide any other type of financing or fund-raising support to the other.

14.4 This MOU is non-exclusive and in no way restricts the Parties from collaborating with other bodies such as agencies, organizations and individuals.

14.5 The Parties recognise that nothing contained in this MOU will be construed as creating a partnership between the Parties, and save as expressly authorised by the terms and conditions of this MOU, no provision of this MOU will be construed as authority for any Party to



act as agent on behalf of another Party, or to assign the benefits or the burden of the MOU, nor to permit any Party to act on behalf of, or to bind any of the other Parties, without prior written consent of such other Parties.

14.6 The failure by any Party to enforce any of the terms and conditions of this MOU at any time or any period will not release, or exonerate, or in any way affect the liability of the other Parties, or be a waiver of those terms, conditions, or the right of any Party at any time afterwards to enforce each and every term and condition of this MOU.

14.7 The invalidity or partial invalidity or unenforceability of any provision of this MOU or any other contractual arrangement entered into to carry out this MOU will not affect the validity or enforceability of any other provision.

14.8 This MOU as well as any addendum approved in writing, each of which will be considered incorporated in the MOU, constitute the entire agreement and understanding between the Parties and supersedes any prior or contemporaneous oral or written understanding or agreements between the Parties related to the matters addressed herein.

15. NOTICE

Except as otherwise provided herein any notice to be served hereunder may be served by Registered Post Addressed as follows:

The Permanent Secretary
Ministry of Green Economy and Environment.
LUSAKA

Chief Executive Officer
COMACO Limited
7223 Kachidza Road, Light Industrial Area
LUSAKA

16. COSTS AND EXPENSES

18.1 Unless otherwise agree, each party shall bear the costs and expenses for its participation in activities under this MoU. Cost coverage and sharing of specific tasks and Programmes will be



discussed and agreed in advance on a case to case basis. The capacity of each party to carry out activities under this MoU shall be subject to the availability of funds, personnel and other resources. The parties shall explore all possibilities for other sources of funding and financial support for the implantation of this MoU.

17. AMENDMENT/RENEWAL

18.1 This MoU shall be amended/ renewed only on written agreement of both parties.

In Witness Whereof, the undersigned being duly authorized representatives hereto, have in the name of their respective organizations signed this MoU the year and day first before written.

MINISTRY OF GREEN ECONOMY AND ENVIRONMENT

Title: DR. DOUZY CHIMBABA
PERMANENT SECRETARY

Sign: [Signature]

Date: 02/06/2025

COMACO

Title: Dale Lewis
Chief Executive Officer

Sign: [Signature]

Date: 2 June 2025

WITNESS

Title: MINISTER

Sign: [Signature]

Date: 02/06/2025

WITNESS

Title: Caron Project Manager

Sign: [Signature]

Date: 02/06/2025

