

**Memorandum of Understanding (MoU)
to provide services as a
Business Service Centre (BSC)**

BETWEEN

SNV, Netherlands Development Organization

AND

University of Battambang (UBB)

March 2017



1- Background

SNV, the Netherlands Development Organization works as a capacity development organization in 38 developing countries globally. Water, Sanitation and Hygiene (WASH) is one of three key sectors that SNV invests in to contribute towards pro-poor development, through improved access to basic services and production, income and employment.

NOURISH, an integrated approach to reduce stunting.

Funded by USAID's Global Health Initiative and the U.S. Presidential Feed the Future Initiative, the NOURISH Project aims to reduce the proportion of children in Cambodia who are stunted by focusing on key causal factors. NOURISH operates in three provinces—Battambang, Pursat, and Siem Reap—aiming to directly reach more than 555 of the poorest rural villages within those areas by the end of the project in 2019. Project activities are implemented across three sectors and respective line ministries—Ministry of Health, Ministry of Rural Development and Ministry of Agriculture, Fisheries, and Forestry. NOURISH takes a multi-sectorial approach integrating health/nutrition, water, sanitation and hygiene (WASH) and agriculture. It works across sectors to stimulate and sustain social norms and individual behavior changes among “first 1,000 days” families from the start of woman's pregnancy through her child's second birthday.

WASH is a major component of NOURISH and is led by SNV. It addresses safe water handling to improve drinking water at point of use, hand washing with soap and increase access to improved toilets. The Project uses a market based approach combined with efforts to create sanitation demand at community and households level.

Strengthening private sector engagement

A supply chain analysis identified WASH small and medium enterprises (SMEs) that can expand water and sanitation products and services market to their full potential in all three project supported provinces and the project has been working to support these SMEs increase their latrine sales. A 2015 NOURISH stakeholder workshop with relevant private sector actors to establish Business Service Centre (BSCs) identified potential models to offer a range of functions and services to support these SMEs' grow and diversity. A subsequent 2016 Snapshot Analysis of existing demand and supply for BSCs further informed an action plan to develop an initial three BSCs.

Developing capacity of BSCs to deliver services

NOURISH aims to provide training and on-going coaching to develop the capacity of three BSCs to deliver services that support participating WASH and potentially nutrition related SMEs to grow and diversify their businesses. As part of investing in sustainability, opportunities to support BSCs through offering linkages for participating SMEs to microfinance and seed capital and cultivating stronger public-private sector alignments at the local levels will be further explored along with integrating support for agriculture businesses as appropriate. Other activities may include:

- Building better understanding of the market potential and pricing strategy
- Aligning with government and development priorities and opportunities; helping SMEs liaise with Government regulations
- Improving marketing and brand development capacities
- Connecting SMEs with financial institutions on credit options and seed capital
- Diversifying product lines and bundling where appropriate
- Developing quality standards and oversight mechanisms
- Networking and linking key stakeholders via mobile & virtual platforms

- Providing other business capacity strengthening, i.e., training on business development, business plan, technical support, leadership, etc.
- Organizing tradeshow.

2- Purpose of the MoU :

To establish partnership with a private sector actor to develop and test a Business Service Centre model with the aim of expanding the supply of business services to participating SMEs and District BSC in the NOURISH Target area, sustainably.

3- Duration :

The MoU is for one year, starting from April 2017 to March 2018.

4- Basis for Amendment:

This MoU is subject to be revision at any time in the course of the project by mutual consent from both parties. At the conclusion of the initial one-year the agreement will be reviewed with the potential to be extended for a further year pending on demand, lessons learned and progress to date.

5- Roles and Responsibilities

a)-SNV representing NOURISH

- Provide technical support to the BSC in line with an agreed work plan
- Organize kick-off workshop to launch the BSC
- Provide technical support to develop a Business Plan including financing model, supported by training, coaching and follow-up
- Provide technical support in agreed areas, including portfolio of WASH and agriculture products, etc.
- Support the BSC to diversify its product portfolio where appropriate, in line with the BSC concept
- Regular monitoring, review and follow-up
- Assist Business-to-Government (B2G) and Business-to-Business (B2B) relationship building for the BSC
- Assist UBB in strengthening apprentices and field practices under the scope of NOURISH project

b)- University of Battambang (UBB)

UBB agrees to collaborate on expanding existing services to incorporate additional Business Services to assist participating SMEs and District BSC to increase sales and revenue and build their business management skill for sustainable growth. UBB will do this in a variety of standard and innovative ways, including, but not limited to:

- Building better understanding of the market potential and pricing strategy
- Improving marketing and brand development capacities
- Providing other business capacity strengthening, i.e., training on business development, business plan, technical support, leadership, etc.
- Support SMEs for entrepreneurship training and ongoing consultation and coaching
- Develop and deliver customised training courses along the above lines
- Provide on-going coaching and mentoring services to SMEs (WASH and agriculture sectors), including field based coaching, etc.
- Support field-based internship programmes for SMEs, guided by senior advisors/professors, etc.
- Provide value added service to SMEs in the target areas

6- Management arrangements

Upon signing the agreement, both parties will engage in the development of a work plan and financing model for the BSC model. Following this, SNV will provide technical support, as and when required based on the agreed work plan. This work plan will be reviewed on a quarterly basis and activities adjusted accordingly.

7- Other conditions

a) *Termination*

Both parties shall have the right to terminate this agreement by giving written notice to the other party in the event of:

- Irreconcilable ideological differences between the parties
- Misuse of financial resources
- Lack of cooperation from either party
- Inability to carry out the activities as agreed
- SNV ceasing operations in Cambodia
- NOURISH ceasing operations
- The termination of this agreement shall not affect any accrued rights or liabilities of either party
- Both parties commit themselves to officially communicate to the other if they want to terminate the agreement or do not want to continue the relationship at the end of this Sub-grant

b) *Indemnity/release of liability*

Neither shall be liable for the acts or defaults of the other party. All liabilities arising from or in connection with the activities carried out by the business shall be the responsibility of the business and no liability of any nature shall be passed to SNV; and vice versa. All liabilities arising from or in connection with specific SNV activities, carried out by SNV, shall be the responsibility of SNV.

c) *Confidentiality*

- Both parties shall not transfer or divulge any confidential information to any other person or organization, not connected to SNV and the business, unless:
 - Prior written consent from both parties is obtained; and/or
 - The information is already in the public domain; and/or
 - Disclosure is required by law

d) *Ownership of material*

- Any studies, reports, or other material (graphic, software or otherwise) prepared under this agreement is joint property of the University and NOURISH project. Both NOURISH and the University may use the material for purposes of knowledge sharing and networking, or in (joint) publications. For any other use either party will consult the other.

e) *Change, amendment and dispute*

- This agreement can only be amended or supplemented in writing
- Any necessary change and amendment to this agreement will be discussed and agreed on by the business and SNV. Any dispute shall be solved by the two organizations through consultation.

f) Law governing the agreement

- The laws of Cambodia shall govern this Agreement.

8- Key Contact People

SNV Netherlands Development Organization

Address: #184 street 217, Phnom Penh, Cambodia

Tel: +855-23-994-562

Fax: +855-23-994-563

Country Director – Mr. Erik van Waveren, email: evanwaveren@snvworld.org

WASH Sector Leader - Mr. Sunetra LaLa, email: slala@snvworld.org

Supply Chain Advisor- Mr. Chan SereiRatha, email: ssereiratha@snvworld.org

University of Battambang (UBB)

Address: National Road N°5, Sangkat Preak Sdach, Battambang Town, Battambang Province

Tel: +855 -53- 952- 905

Fax: +855 -53- 952- 905

Dean of Faculty of Business and Tourism - Mr. Tieng Morin, e-mail: morintieng@yahoo.com

Director of Institute of Foreign Language (IFL) – Dr. Sam Rany, PhD, e-mail: samrany@yahoo.com

This MOU shall enter into force on the date of its signature by both parties.

Agreed and signed in English version for two copies on 31 March 2017



H.E. Ms. Sieng Emtotim
Rector of UBB

Representative of SNV

Mr. Erik van Waveren
Country Director