

**TERMS OF REFERENCE BETWEEN _____ with the CIRCLES CENTER PIVOT
IRRIGATION PROJECT**

Draft 1.0

I. PURPOSE

The purpose of the agreement is to stipulate terms, conditions and desired behaviors that will govern the relationship between _____ and the Producer Association (XYZ) while conducting commercial farming under Center Pivot Initiative (CPI) that will be implemented at the _____. The CPI is a scheme that aims to substantially and sustainably increase the livelihoods of small-holder farmers in low-income rural area in _____. It is expected that through the benefits brought by this scheme, the welfare of the farmers, families and communities with regard to health, nutrition and education will be dramatically improved. Additionally, the long term food security of the community will be protected as well as greatly reducing the risk and threats related to weather variability. The Consortium expects, within 5 years of the program being implemented in _____ community will be capable of independently sustaining and significantly improving quality of lives at the household level for all members.

2. ROLES AND RESPONSIBILITIES OF EACH PARTY

2.1 _____ Mentoring Organization will be responsible for:

- Identifying, sensitizing and mobilizing prospective farmer groups, calling meetings when appropriate and appraising them regarding the nature of the Program.
- Measure and report on the project outcomes that are in line with organizational strategies especially ensuring household income is real and translated to ensuring family aspirations.
- Establishing and maintain networks with relevant local government authorities, extension workers and sustainable local institutions within areas of operation for effectiveness and efficiency of the project.
- Ensure alignments and compliance with the local government policies on relevant issues.
- Providing support where required for research, documentation and accounting related activities.
- Provide cash collaterals to fund loans to the Production Units at competitive rates.

2.2 _____ Farmer's Association will be responsible for:

- In collaboration with the village government, create conducive working environment for both farmers and other partners.
- Sign contracts and other relevant documents on behalf of the Production Units, including relevant land lease or purchase agreements.
- To take lead on overseeing, disciplining and recovery of debts from farmers who default the system in one way or another according to the association's code of conduct.
- Represent Production Units with other stakeholders of the Project.
- In collaboration with _____ ensure farmers are well updated about plans and operations.
- Ensure that the association is a legally registered entity in _____ as an association (with a constitution, registered with _____) and has legal representatives throughout the period of the project.
- This also implies the distribution of crop income from _____ repay loans received from _____.
- In collaboration with _____ organize issuing and repayments of all loans (working capital and infrastructure) for the project.
- Identify and select community members for participation in project.

At the farmer level, _____ will ensure that farmer agrees to:

- Work under the supervision _____ in the management of farming activities at _____.

- Avail himself/herself on the planned and agreed days for necessary trainings by _____.
- Be responsible for paying for (on loan basis) agricultural inputs such as seeds, fertilizers, ploughing, planting, weeding, and harvesting of his/her crops. This will be done on pre-financing basis and deduction be made during the sales based on pre-agreements with parties involved
- Follow the crop plan as agreed with _____ every season as deemed necessary
- Be responsible and accountable member of _____ Producer Association
- Work in Production Units of _____ within a given pie of land within the pivot boundaries.
- Be diligent and hardworking throughout farming activities
- Follow the established “Rules of Behavior”.
- Be cooperative with other farmers and partners and avoid unnecessary arguments and fighting
- Maintain cleanness and sanitation procedures as directed.
- Ensure that safety and security procedures are adhered both for personnel, equipment and crops
- Ensure that children are not engaged in farming activities

2.3 _____ **Off-Taker organization will be responsible for:**

- Offer forward contracts to purchase _____ and provide inputs according to agreed farmer budgets and agreements.
- Taking lead on identification of crops of high potential for the Production Units.
- Manage post-harvest issues in order to minimize losses for both local and external market.
- Provide technical support for agronomic principles related to chosen crops
- Provide training and support in processing and value addition as per the market demand.
- Purchase and pay the association for qualifying farm-sorted produce from farmers and administer statements of accounts.
- Prepare and share business plan including crop calendars and cost benefit analyses to the production Units for appropriate decision making concerning loan provisions and long term crop planning.
- Ensure required certifications and standards are met for both local and export markets.
- In collaboration with _____ ensure correct payments are being made for loans (working capital and infrastructure).
- _____ **Financing Entity.**
- Provide and timely disburse input financing and working capital needs of the _____ at competitive rates

- Provide and timely disburse long term infrastructure farming financing at competitive rates and Mitigate risks by offering appropriate insurance products to _____.

The Terms of Reference as described has been agreed and accepted by all Parties as signed below:

_____	_____
Name:	Name:
Designation	Designation
Date:	Date:
Sign:	Sign:
_____	_____
Name:	Name:
Designation	Designation
Date:	Date:
Sign:	Sign: