



EDO STATE

**FRAMEWORK FOR RESPONSIBLE AND INCLUSIVE LAND-INTENSIVE AGRICULTURE
(FRILIA)**

GLOBAL MEMORANDUM OF UNDERSTANDING AND FINAL CONTRACTS TOOLKIT

DATE: DECEMBER,2025

Executive Order Establishment, Adoption and Implementation of Framework for Responsible and Inclusive Land Intensive Agricultural Investments issued on 31st December 2024.

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Acronyms and Abbreviations

ADR - Alternate Dispute Resolution

CBO - Community-Based Organisations

CDA – Community Development Agreement

CDC – Community Development Council

CDP – Community Development Plan

CLO – Community Liaison Officer

CNA – Community Needs Assessment

CNDP – Community Needs Assessment and Development Plan

CPMP – Community Project Management Board

ESRM – Environmental and Social Risk Management

ESIA – Environmental Social Impact Assessment

FME - Federal Ministry of Environment

FRILIA – Framework for Responsible and Inclusive Intensive Agriculture

GMoU – Global Memorandum of Understanding

GRM – Grievance Redress Mechanism

IFC PS – International Finance Corporation Performance Standards on Environmental and Social Sustainability

MDA – Ministries, Departments and Agencies

OG - Out-growers

OHS – Occupational Health & Safety

PAC - Project Affected Community

PAP – Project Affected Persons

NGOs - Non-Governmental Organizations

SE – Stakeholder Engagement

SIPA - State Investment Promotion Agency

SEPA – State Environmental Protection Agency

VCDF – Value Chain Development Firm

WB - World Bank Group

1. INTRODUCTION TO GLOBAL MEMORANDUM OF UNDERSTANDING (GMoU)

The Global Memorandum of Understanding and Final Contracts toolkit provides agreement templates between communities, investors, government, and development partners. The goal is to help ensure that land-based agricultural investments in Edo State comply with the principles set forth in the Framework for Responsible and Inclusive Land-Intensive Agriculture (FRILIA) as well as applicable National and State laws and international best practices. The toolkit has been drafted to facilitate the implementation of FRILIA principles, which identify and protect all legitimate rights and help all stakeholders avoid conflicts that could arise in the absence of written agreements. It also highlights the functions of the various regulatory bodies involved in large-scale agricultural investments.

1.1 Scope of GMoU Toolkit

The GMOU toolkit complements all the other FRILIA toolkits developed by Edo State, including:

- Environmental and Social Risk Management Toolkit
- Out-growers and Food Security Toolkit
- Land Access, Easement and Involuntary Resettlement Toolkit
- Valuation and Compensation Toolkit
- Community Needs Assessment and Development Plan Toolkit
- Grievance Redress Mechanism Toolkit.
- Stakeholder Engagement Toolkit

1.2. Applicable FRILIA Principles

Arguably, all FRILIA principles are relevant when considering the need to have agreements aimed at enforcing them. That said, the following FRILIA principles are especially relevant to the guidance set forth in this toolkit:

- Investments should be consistent with and contribute to policy objectives, including poverty eradication, food security, sustainable land use, employment creation, and support to local communities (FRILIA principle 1.1).
- Investments should occur transparently (FRILIA principle 1.2).
- Land acquisition and related adverse impacts will as much as possible be minimised or avoided (FRILIA principle 1.3).
- A range of investment and production models should be considered, including alternatives to large-scale transfer of land (FRILIA principle 1.4).
- Investments should be subject to consultation and participation, including the disadvantaged and vulnerable, informed of their rights and assisted in their capacity to negotiate (FRILIA principle 1.5).
- Communities have the opportunity and responsibility to decide whether to make land available, based on informed choices (FRILIA principle 1.6).
- Investments should be monitored (FRILIA principle 1.7).
- Investments should safeguard against the dispossession of legitimate tenure rights holders (FRILIA principle 2.1).
- Existing legitimate rights, including customary and informal, and rights to common property resources, should be systematically and impartially identified (FRILIA principle 2.2).

- Provide for protection of rights through grievance redress mechanisms that provide accessible and affordable procedures for 3rd party settlement of disputes. These mechanisms should take into account the availability of judicial recourse and community and traditional dispute resolution mechanisms (FRILIA principle 2.3).
- Compensation standards are to be disclosed and applied consistently (FRILIA principle 3.1).
- Adequate compensation will be provided to purchase replacement assets of equivalent value and to meet any necessary transitional expenses before taking of land or restricting access (FRILIA principle 3.3).
- Safeguard against environmental damage unless adequately mitigated (FRILIA principle 4.1);
- Promote community, individual, and worker safety (FRILIA principle 4.4)
- Promote fair treatment, non-discrimination, and equal opportunity of workers and prevent all forms of forced and child labour (FRILIA principle 4.5).

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2. MEMORANDA OF UNDERSTANDING AND CONTRACTS UNDER FRILIA

2.1 MoUs vs. Contracts

Generally speaking, a Memorandum of Understanding (MoU) is a formal yet non-binding agreement between two or more parties. It outlines present intentions, roles, and objectives, serving as a mutual acknowledgement of potential outcomes and processes. While not legally enforceable like contracts, MoUs indicate a commitment to work together in good faith, often toward establishing a binding agreement such as a contract.

By contrast, contracts create legal obligations that result in liability for non-compliance. The main distinctions between MoUs and contracts are as follows:

- **Legally Binding:** Contracts are legal documents that bind all parties to specified terms, including the performance of duties and obligations. In contrast, MoUs, while structured and formal, are not enforceable.
- **Financial Obligations:** Contracts often involve the exchange of goods or services for monetary payments, whereas MoUs usually lack financial commitments.
- **Dispute Resolution:** Contracts may contain specific legal dispute resolution provisions, whereas MoUs rely on the parties' cooperation and good faith.

Box 1: Instances where the terms and conditions of an MoU have been upheld by the courts

However, there are some instances where the terms and conditions of an MoU have been upheld by the courts as constituting binding and enforceable obligations on the parties. Examples of such cases are as follows:

- Where the parties to the MoU expressly agree in the document to be legally bound by its provisions
- Where the general nature or the intent of the MoU and the language used in drafting its provisions suggest that the parties intend to create binding rights, duties and obligations between themselves

The purpose of an MoU in investments governed by FRILIA is to clarify the functional aspects and objectives in the collaboration between the investor, the Edo State and the Project affected community. In this context, MoUs are particularly beneficial in the early stages of the investment process as they can outline intentions and shape the relationships between the parties before the investor has incurred substantial financial costs. Later, this can evolve into a legally binding commitment represented by one or more contracts.

2.2 MoUs and Contracts in an Agricultural Investment under FRILIA

As explained in the Stakeholder Engagement toolkit and in other FRILIA toolkits developed by Edo State, an agricultural investment can only comply with FRILIA if it entails a robust process of consultations between all affected parties that results in an agreement to proceed. MoUs and binding contracts are key to achieving this outcome.

While no two investments are exactly alike, the following process should apply in many cases:

Step 1: Early in the process, the investor and the ESIPO in collaboration with Ministry of agriculture and Food security should meet to discuss the proposed investment and introduce the FRILIA principles to the investor. One result of these meetings can be a MoU between the investor and ESIPO in collaboration with Ministry of Agriculture and Food Security in which both parties commit to complying with FRILIA principles throughout the investment approval process and, if approved and agreed to by all affected parties, that implementation of the investment should proceed. See Template 1.

Note that Step 1 may also be the point where ESIPO in Collaboration with Ministry of Agriculture and Food Security provides the investor with a list of regulatory bodies and license/and permit requirements. This information for Edo State can be found in Templates 2 and 3.

Step 2: Relatively early in the consultation process, it may be advisable for the affected community-, other relevant project stakeholders and the investor to enter into an MoU to guide the negotiations. Edo State may or may not be a party to this MoU depending on whether it is providing the land directly and/or will be asked to provide investment incentives. In any case, officials of ESIPO in collaboration with Ministry of Agriculture and Food Security may facilitate the development of the MoU. The MoU should state, among other things, that: the parties intend to negotiate in good faith in an attempt to reach an agreement; how the parties will consult, be inclusive and determine whether consent has been given; and other terms that will govern the negotiations.

Box 2-Content of Step 2 MoU Between Investor and Community

- Brief description of the proposed investment project
- Detailed description and timeline of the proposed negotiation, consultation and drafting process
- List of key stakeholders who will be included, along with their roles, rights and responsibilities
- Description of any professional, financial or legal support that the investor will provide to the community during the contracting process
- Shared objectives between the investor and community
- Description of the role of government authorities, if any, in the negotiation, consultation and drafting process
- Description of the engagement and consultation process that the investor will undertake with the community and individual landholders (men & women), farmers groups, trade associations and other community leaders (preferably as documented in a stakeholder consultation plan)
- Agricultural land acquisition, land rights, involuntary resettlement, valuation and compensation matters
- Employment of local labour/workers by the Investor, skills development
- Water Access and impacts
- ESIA process, compliance with local laws, policies and customs
- Funding plan/consideration for community development projects
- Composition of MoU Governance/Administrative structures for MoU implementation
- Possibly a clearly defined process for dispute resolution
- The MoU duration

Source: Vhugen 2022. Promoting, Facilitating and Regulating Responsible Land-Based Investment: A Manual for Governments (<https://landportal.org/library/resources/promoting-facilitating-and-regulating-responsible-land-based-investment>).

Step 3: As consultations move along and the proposed investment takes shape, it can be helpful to enter into a second MoU (or perhaps amend the first MoU) between the investor and the affected community. [Template 1 (A)]. If all parties continue to be supportive of the proposed investment, they can enter into an MoU that covers the framework of the investment, how much land is required, benefits that may accrue to the community, commitments to ongoing consultation, preparation of an environmental and social impact assessment (ESIA), etc. The MoU does not legally commit any party to a final agreement on the proposed investment. But it should reflect the fact that the parties are supportive and believe they can reach a mutually acceptable final agreement.

Step 4: Once the ESIA is completed and all other required information about the investment has been developed and shared with all stakeholders, the parties may enter into negotiations that, if successful, will lead to a final written agreement (that is, a formal contract).

The goal of the negotiations should be to reach an agreement on the various rights and obligations of the parties, how they will communicate and give notice to each other, mechanisms for monitoring compliance and how to handle complaints and resolve disputes.¹

Depending on the circumstances, the final agreement or package of agreements should cover some or all of the following, depending on the circumstances:

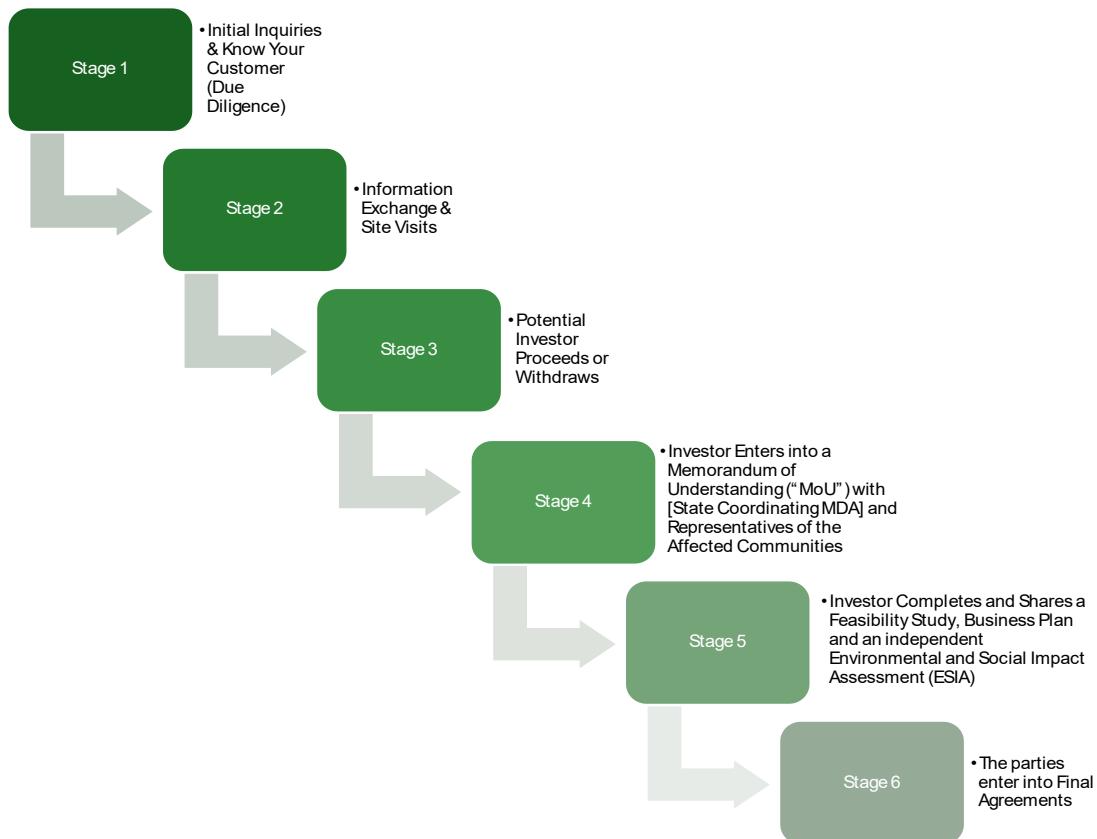
- Land lease or sale
- Payment/compensation for transfer of tenure rights (if not covered by the lease or sale document), loss of assets, moving costs, etc.
- Community Development Agreement describing benefits the investor will provide to the community (see State Community Needs Assessment and Development Plan Toolkit)
- Stakeholder consultation plan (See State Stakeholder Engagement Plan Toolkit)
- Partnerships with local suppliers/labor agreements (See State Out-growers and Food Security Toolkit)
- Monitoring plan
- Dispute resolution and grievance mechanisms (See State GRM Toolkit)

2.3 MoUs and Contracts Edo State’s Investment Approval Process

Edo State Government has adopted an investment approval process for FRILIA investments as described in Figure 1 below. The ways in which MoUs and final agreements fit into that process is as follows:

¹ See UNIDROIT/IFAD 2021. Legal Guide on Agricultural Land Investment Contracts (<https://www.unidroit.org/wpcontent/uploads/2021/09/ALICGuidewebsite.pdf>).

Box 3: State Investment Approval Process



2.3.1 Stage 1: Initial Inquiries & Know Your Customer (Due Diligence)

Preliminary investigation about the investment and signing of the MoU between Edo State Government and FRILIA Investors [GMoU Template 1(B)]. It is the duty of ESIPO in collaboration with Ministry of Agriculture and Food Security to explain the applicable FRILIA principles contained in the MoU to the investors.

Furthermore, ESIPO in collaboration with Ministry of Agriculture and Food Security will bring to the attention of the investor the list of the regulatory bodies [Template 2] and a checklist of required licence(s) and permit(s) [GMoU Template 3] of the investor.

2.3.2 Stage 2: Information Exchange & Site Visits

The investor will consult with the relevant stakeholders like ESIPO in collaboration with Ministry of Agriculture and Food Security, host/affected communities, FRILIA project partners, out-growers etc to establish relationships with the stakeholders and determine what is required by each stakeholder. At this stage, the parties will negotiate on the terms of the MoU.

The outcome of the consultation will determine if additional terms are to be added to the MoU between the Edo State and the FRILIA investor.

2.3.3 Stage 3: Potential Investor Proceeds or Withdraws

After consulting with the relevant stakeholders and preparing the required management plans, the investor will link the specific MoUs with the relevant toolkits/documents mentioned in the MoU's schedule.

At this stage, all other MoUs will be signed subject to terms agreed by the parties except the Local Employment MoU [Template 5], which will be signed at the implementation stage.

2.3.4 Stage 4: Investor Enters into a Memorandum of Understanding (“MoU”) with agro-investor and Representatives of the Affected Communities.

This is the stage for the application of the terms of the MoU to the FRILIA-approved project. This also provides a compensation framework for the parties.

Furthermore, the investor will sign the Local Employment MoU [Template 5], to ensure the required labour used in the implementation of FRILIA isn't forced labour and child abuse.

2.3.5 Stage 5: Investor Completes and Shares a Feasibility Study, Business Plan and an independent Environmental and Social Impact Assessment (ESIA).

ESIPO in collaboration with Ministry of Agriculture and Food Security and the parties will determine if any of the terms of the MoU have been breached and whether the duration of the MoU should be extended. The parties will also consider the impacts of the implementation and consequent action plan

2.3.6 Stage 6: The parties enter into Final Agreements.

At this stage, when the parties enter into the Final Agreements, the Investor is expected to mobilise resources for the commencement of phased implementation of the projects.

This stage would also involve project monitoring by the relevant MDA and host community to ensure that the Investor is implementing the project following agreed commitments of the MoU, applicable laws and regulations, including the FRILIA Principles.

It is also expected that the Grievance Redress Mechanism would have been activated so that aggrieved parties could channel and promptly redress complaints arising from project implementation.

Finally, the relevant MDAs of Edo State Government will conduct periodic project implementation audits.

The negotiation of MoUs and contracts in a FRILIA investment, as described above fit well into Edo State's investment approval process (IAP). The first MoU should be developed during stage 1 when the State Investment Promotion Agency is doing its initial screening and first engaging with the investor. MoUs described in steps 2 and 3 should be addressed in Stages 4 and 5. And, of course, the final agreement(s) should be reached in Stage 6.

3. List and Objectives of GMoU Templates

- i. **GMoU Template 1 (A)** - MoU between the Investor and Host Community

(To ensure that the investor and host community are aligned on the proposed investment project and define roles and responsibilities between the parties)

GMoU Template 1 (B) – MoU between the State Government and the Investor

(To ensure that the Investor complies with both the relevant Federal and Edo State Government laws, policies and regulations, including the FRILIA Principles)

ii. GMoU Template 2 - List of regulatory bodies

(This is to provide the appropriate channel for the issuance of licenses for investors).

iii. GMoU Template 3 - Licence and permit compliance checklist

(To ensure that the implementation of the project is consistent with the provisions of the law).

iv. GMoU Template 4 - MoU between Edo State Government, Investors and Host Community for the implementation of Community Development Programmes

(The objective of this MoU is to give general guidance on which community development projects will be implemented, how they will be implemented, when they will be implemented, what resources will be required for implementation and who will be responsible for and involved in the implementation in compliance with the Community Needs Assessment and Community Development Plan framework).

v. GMoU Template 5 - Local Employment MoU

(The objective of this MoU is to enhance economic development and eradication of poverty through job creation for indigenes and residents of Edo State. This will further protect the rights of the employers and the employees in accordance with the labour laws of Nigeria).

vi. GMoU Template 6 - MoU between Investors and Out-growers

(The objective of this MoU is to ensure that the investors and out-growers are guided by the required principles to facilitate compliance with the provisions of the law and Edo State FRILIA principles).

vii. GMoU Template 7 – Environmental Compliance MoU between Edo State Government, Investors and Contractors

(This MoU is an agreement between the relevant parties to execute the projects in an environmentally sustainable manner in accordance with appropriate national and international regulations).

viii. GMoU Template 8 - MoU on Land Acquisition, Restrictions on Land Use and Involuntary Resettlement MoU between Edo State Government, Investors and Host Communities

(The objective of this MoU is to protect the interests and the rights of persons and communities who are affected by land acquisition and displacement before the implementation of the project. This will be signed after the communities have consented to land acquisition and payment of compensation and associated support to affected persons before the execution of the project. Finally, to guide the identification of the rights of the parties involved in Land acquisition).

APPENDIX – GMoU TEMPLATES

GMoU Template 1(A) – MoU between the Investor and the Host Community

MoU BETWEEN [NAME OF FRILIA INVESTOR] AND [HOST COMMUNITY]

This MEMORANDUM OF UNDERSTANDING is made this ----- Day of ----- 20-----

-
BETWEEN

[NAME OF THE INVESTOR] of [Address of investor] (hereinafter referred to as “THE INVESTOR”) the expression shall where the context so admits include its directors, contractors, employees, officers, subcontractors, executors, administrators, agents of the ONE PART.

AND

[NAME OF THE HOST COMMUNITY AND THE REPRESENTATIVE] of [Address of both parties] (hereinafter referred to as “HOST COMMUNITY”) the expression shall where the context so admits include its traditional rulers, local chiefs, contractors, subcontractors, executors, administrators, agents of the OTHER PART.

1. WHEREAS

- a) The Investor is desirous of investing in the development of the agricultural sector of Edo State through the implementation of major capital projects that are consistent with FRILIA Principles adopted by the Edo State Government by virtue of an [provide description of legal basis] dated the..... Day of 20xx
- b) The Investor is conscious of the fact that some persons and communities (“the Host Community”) may be impacted in the process of implementing the proposed investment project.
- c) It is important to promote sustainable prosperity within the host community through the proposed investment project and other mutually agreed community-based socio-economic development projects
- d) Both parties desire direct social and economic benefits to flow from the operations of the Investor to the Host Community
- e) The parties recognise the need to ensure peaceful and harmonious coexistence between the Investor and the Host Community to allow a conducive environment and enduring framework for the sustainable development of the Host Community

2. Subject to obtaining all necessary regulatory approvals, including the consent of the Host Community, The Investor plans to set up [provide description of investment] at (provide community location details) in the (Local Government) Area of Edo State.

3. The Investor expects the proposed agricultural investment project to be completed within [xx] years after a successful land acquisition process and payment of compensation to affected persons to ensure a smooth project take-off

4. The parties have agreed to apply the FRILIA Principles at all stages of the project implementation.

5. The parties enter this Agreement without prejudice and intend to establish an amicable and mutually beneficial relationship.

Shared MoU Objectives

The Parties further agree to the following:

- a) Ensure Multi-Stakeholder Engagement throughout the project cycle by applying FRILIA Principles, including the international best practice principles of Free Prior and Informed Consent (FPIC)
- b) Encourage Participatory Partnership in the introduction and implementation by the Investor of social programmes and projects required for the sustainable development of the Host Community.
- c) Promote and support Transparency and Accountability for the process of identifying, reviewing and approving projects through the governance and administrative structures established under this agreement
- d) Support Capacity-building programmes for the Host Community representatives to enable them to effectively perform their assigned roles and responsibilities under this agreement
- e) Periodically monitor and evaluate the implementation of the investment project, including identified community development projects, in a transparent and timely manner.
- f) Ensure that there is no conflict of interest on the part of any community member, government official or official of the investor in the project formulation, identification, and implementation processes.
- g) Provide a comprehensive and transparent grievance redress mechanism to provide access for the settlement of disputes among parties to this MoU.

6. The obligations of the Investor under this MoU are the following:

- a) Regular engagement with the Host Community representatives on the project implementation cycle through an extensive and well-documented participatory and broad-based consultative process to enhance their decision-making capacities.
- b) Provide support for the participatory mapping of community land needed for the proposed investment project.
- c) Provide legal support when required by the Host Community during the negotiation, completion and implementation of this agreement.
- d) Ensure compliance with all environmental regulations and permitting/licensing regulatory approvals needed for the project take-off and throughout the implementation phases.
- e) Ensure adequate compensation is paid to all affected persons and communities for land lawfully acquired for the proposed investment project, including undertaking necessary resettlement and livelihood restoration programmes if required.
- f) Consult with the Community Project Management Board established under this agreement concerning sustainable development programmes that can be implemented for the benefit of

the community in the provision of health/educational facilities, water supply and other basic infrastructure.

- g) Support the Host Community in capacity-building programmes and institutional strengthening to understand, implement and monitor agreed community development programmes and projects.
- h) Provide job opportunities within the project for local unskilled and skilled workers

7. The obligations of the Host Community under this MoU are the following:

- a) Effective and regular dialogue/communication with the Investor and the Community Project Management Board and maintaining cordial relations with the Investor and its officials throughout the phases of project implementation.
- b) Undertake not to disrupt the lawful operations of the Investor.
- c) Nominate competent and honest community representatives to serve in official capacities in committees to discuss and approve community development programmes and projects.
- d) Inform and communicate to the community through approved channels of the activities and projects of the Investor including community development programmes agreed upon.
- e) Collaborate with the State Government, the Community Project Management Board and other interested stakeholders in bringing about sustainable growth development in their community.
- f) To ensure community development-related disputes are resolved amicably through the grievance redress channel established under this agreement.
- g) Monitor project implementation to ensure that the Investor is fulfilling his investment commitments and obligations to the Government and Host Community

8. Governance Model

To encourage transparency and accountability and to achieve the objectives of this MoU, The Parties shall establish the Community Project Management Board (CPMB) – **refer to State CNA toolkit** to implement the terms of this MoU and the Grievance Resolution Committee (GRC) – **refer to State GRM Toolkit** - to resolve disputes between the Investor and the Host Community

9. Community Development Project

The type of community development projects to be considered for implementation by the CPMB shall be subject to the projects identified by the parties.

10. Funding of Approved Projects

The funding of agreed Community Development Programmes and Projects shall be provided by the Investor.

11. Applicable Law

This Memorandum of Understanding shall be governed by and interpreted under the relevant Laws of the Federation of Nigeria and all the relevant laws of Edo State.

12. Duration and Review

This MoU shall be for an initial period of 1 year commencing from the date of the MoU and may be extended by the parties in writing specifying the terms and the conditions thereto.

13. Amendment & Modification

Terms and conditions herein contained may be subject to further modification and amendment by the parties to suit the nature of their project and investment.

IN WITNESS THEREOF, the Parties hereto have set their hands and seal in the manner below, the day and year first above written

SIGNED, SEALED AND DELIVERED by the within-named PARTIES.

ON BEHALF OF THE HOST COMMUNITY

Name: _____

Address: _____

Designation: _____

Signature: _____

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

SIGNATURE: _____

ON BEHALF OF THE INVESTOR

Name: _____

Address: _____

Designation: _____

Signature: _____

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

SIGNATURE: _____

MEMORANDUM OF UNDERSTANDING

BETWEEN

EDO STATE GOVERNMENT

AND

FRILIA AGRO-INVESTOR

Executive Order issued on 31st December 2024

This MEMORANDUM OF UNDERSTANDING is made this ---- Day of ----- 20-----

BETWEEN Edo State Government the expression shall, where the context so admits, include its representatives, officials and agents of the ONE PART AND [NAME OF THE INVESTOR] of [Address of investor] (hereinafter referred to as "THE INVESTOR") the expression shall where the context so

admits include its directors, contractors, subcontractors, executors, administrators, agents of the OTHER PART.

WHEREAS

1. Edo State Government is developing a framework to implement inclusive, responsible and sustainable agricultural investment strategies through the Framework for Responsible and Inclusive Land Intensive Agricultural Investment (FRILIA).
2. The Investor plans to invest in a large-scale agribusiness project, [Insert Project Name and Description] which comprises the following: [Give list of key project elements].
3. The Parties are entering into this Agreement without prejudice and to create understanding and mutually beneficial relationships between themselves, each with a binding commitment to always abide by the FRILIA Principles during the course of the investment and subsequent operations.

The Investor covenants with Edo State Government as follows:

1. The investor undertakes to review different Out-grower models and subsequently decide on a sustainable model to adopt in the implementation of its projects.
2. The investor shall enter into any formal agreements to regulate the Out-grower model with independent third parties.
3. The investor, in conjunction with Edo of State Government] Ministry of Agriculture shall mutually agree and implement a roadmap towards the realization of the investment objectives and plans.
4. The roadmap shall, as much as practicable, align with the Investors' Approval Plan (IAP) developed by Edo State Government.

IN FURTHERANCE OF THIS AGREEMENT, the following FRILIA principles are hereby agreed upon and adopted by the parties to ensure a successful implementation of the proposed investment:

1. Overarching Principles

- 1.1 Nothing in these principles shall be inconsistent with the provisions of any prevailing law, including poverty eradication, food security, sustainable land use, employment creation and support to local communities.
- 1.2 Investments in [agricultural] lands should occur transparently.
- 1.3 Land acquisition and related adverse impacts will as much as possible be minimized or avoided. Investments should be consistent with the objectives of social and economic growth and sustainable human development.
- 1.4 A range of investment and production models should be considered, including alternatives to large scale transfer of land. Responsible investment should protect against the dispossession of legitimate, including derivative, tenure rights holders.
- 1.5 Responsible investment should protect against environmental damage.

1.6 Investments should contribute to policy objectives, including, but not limited to poverty reduction, food security, sustainable land use, employment creation and socio-economic support to local communities.

1.7 Where possible, a range of production and investment models such as joint- ventures, out-grower schemes and other inclusive models that encourage partnerships with legitimate tenure holders should be considered as alternatives to the large-scale transfer of land.

1.8 Investment models should seek to ensure that affected communities have the opportunity and responsibility to:

- Decide whether or not to make non-state land available for investments, based on informed choices.
- Receive secure sustained and well-defined benefits.
- Receive fair compensation for the land (including common areas) and natural resources (excluding subsurface resources) that they make available to investment.
- Engage in partnerships with investors and the Government.
- Be able to hold investors accountable for their commitments; and
- Respect and abide by their commitments.

1.9 Investment should include consultation with affected people and communities, including those that are disadvantaged or vulnerable, and they should be informed of their rights and assisted by the government and/or others to develop their capacity to engage in consultations and negotiations.

1.10 Large-scale investments should be preceded by independent assessments of potential positive and negative impacts on tenure rights, food security, livelihoods and the environment.

1.11 All existing legitimate rights, including customary and informal rights, and rights to common property resources, should be systematically and impartially identified.

1.12 Investments should be monitored, and grievance redress mechanisms provided for aggrieved parties.

2. Principles on Land Acquisition and Resettlement:

In implementing the above overarching principles, the following specific principles should apply to issues related to land acquisition and resettlement:

2.1 Land acquisition and related adverse impacts should as much as possible, be minimized or avoided.

2.2 Economic and social impacts caused by land acquisition or loss of access to natural resources (excluding subsurface resources) shall be identified and addressed, including those affecting people who may lack legal rights to assets or resources they use or occupy.

2.3 Compensation will be provided sufficient to purchase replacement assets of equivalent value and to meet any necessary transitional expenses, paid prior to taking of land or restricting access.

2.4 Supplemental livelihood improvement or restoration measures will be provided if taking of land causes loss of income-generating opportunity (e.g. loss of crop production or employment).

2.5 Public infrastructure and community services that may be adversely affected will be replaced or restored.

2.6 Where livelihoods of displaced persons are land-based, or where land is collectively owned, displaced persons should be offered an option for replacement land, unless equivalent land is not available.

2.7 Economically displaced people with legal rights or claims should receive replacement property (e.g. agricultural or commercial sites) of equal or greater value or, where appropriate, cash, compensation, at replacement cost.

2.8 If it is demonstrated that replacement land or resources are unavailable, economically displaced people should be provided with options for alternative income-earning opportunities, such as credit facilities, skills training, business start-up assistance, employment opportunities, or cash assistance additional to the compensation.

2.9 Transitional support will be provided as necessary to all economically displaced persons based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.

2.10 Displaced persons need to be engaged about their options and rights pertaining to involuntary resettlement, including processes on involuntary resettlement, and livelihood restoration should include options and alternatives from which project-affected persons may choose. Disclosure of relevant information and meaningful consultation should take place throughout the design and implementation phases of the resettlement process.

2.11 Compensation standards for categories of land and fixed assets need to be disclosed and applied consistently. Compensation rates may be subject to upward adjustment where negotiation strategies are employed. In all cases, a clear basis for the calculation of compensation will be documented, and compensation distributed in accordance with transparent procedures.

2.12 Particular attention should be paid to the engagement and needs of vulnerable groups among those displaced, especially those below the poverty line, the landless, elderly, women and children, people with disabilities, or other displaced persons who may not be protected through national land compensation legislation.

3. Principles on Environmental and Social Sustainability

In implementing the above overarching principles, the following specific principles should apply to issues related to environmental and social sustainability:

3.1 Investments should incorporate recognized elements of environmental and social assessment of good practice, including early screening of potential effects, consideration of strategic, technical, and site alternatives (including the “no action” alternative), explicit assessment of potential induced, cumulative, and trans-boundary impacts, identification of measures to mitigate adverse environmental or social impacts that cannot be otherwise avoided or minimized and

responsiveness and accountability through stakeholder consultation, timely dissemination of program information, and responsive grievance redress measures.

3.2 Investments should incorporate due consideration for social risks and impacts, including threats to human security through the escalation of personal, communal or inter-state conflict, crime or violence, risks that project impacts fall disproportionately on individuals or groups who may be disadvantaged or vulnerable, any prejudice or discrimination toward individuals or groups in providing access to investment benefits, particularly in the case of those who may be disadvantaged or vulnerable, any risks related to conflict or contestation over land and natural resources.

3.3 Investments should include appropriate measures for early identification and screening of potentially important biodiversity and cultural resource areas.

3.4 Investments should support and promote the conservation, maintenance, and rehabilitation of natural habitats, avoid the significant conversion or degradation of critical natural habitats, including legally protected forest reserves, and if avoiding the significant conversion of natural habitats is not technically feasible, include measures to mitigate or offset impacts of program activities.

3.5 Investments should take into account potential adverse impacts on physical cultural property and, as warranted, provide adequate measures to preserve such property and avoid, minimize, or mitigate such adverse impacts.

3.6 Investments should promote community, individual, and worker safety through the safe design, construction, operation, and maintenance of physical infrastructure, industrial and agricultural facilities, or in carrying out activities that may be dependent on such infrastructure and facilities, with safety measures, inspections, or remedial works incorporated as needed.

3.7 Investments should:

- Promote the use of recognized good practices in the production, management, storage, transport, and disposal of hazardous materials generated through program construction or operations.
- Promote the use of integrated pest management practices to manage or reduce pests or disease vectors.
- Provide training for workers involved in the production, procurement, storage, transport, use, and disposal of hazardous chemicals in accordance with international guidelines and conventions.

3.8 Investments should promote fair treatment, non-discrimination and equal opportunity of workers and prevent the use of all forms of forced labour and child labour in accordance with national and state laws.

3.9 Investments should include measures to avoid, minimize, or mitigate community, individual, and worker risks when program activities are located within areas prone to natural hazards such as floods, hurricanes, earthquakes, or other severe weather or climate events.

The parties to this MoU are bound by the FRILIA Principles to ensure fairness, inclusion and sustainability in the acquisition, allocation and use of land resources.

4. Principles on Recognizing and Protecting Land Rights

In implementing the above principle recognizing and protecting land rights, the following specific principles should apply:

4.1 Investment should safeguard against dispossession of legitimate tenure rights holders

4.2 Existing legitimate rights, including customary and informal, and rights to common property resources, should be systematically and impartially identified

4.3 Grievance redress mechanisms need to be established to provide accessible and affordable procedures for third-party settlement of disputes arising from displacement or resettlement; these mechanisms should take into account the availability of judicial recourse and community and traditional dispute mechanisms.

2.14 Any action related to the displacement of people must comply with Federal and State laws and be conducted in a manner consistent with basic principles of due process (including the provision of adequate advance notice, meaningful opportunities to lodge grievances and appeals, and avoidance of the use of unnecessary, disproportionate or excessive force).

GRIEVANCE REDRESS MECHANISM

In the event of any dispute arising out of this MoU, the matter shall first be referred to the FRILIA GRM Uptake points at the Land Management Unit Edo State Government of the Ministry of Agriculture, the host community or any other uptake points in the state.

This complaint shall be reviewed and passed to the CDA or the FRILIA GRC, as the case may require. The CDA or GRC shall attempt to resolve all disputes amicably between aggrieved parties.

If parties are not satisfied with the resolution of the FRILIA GRC, the matter shall be escalated to the Edo State Government Ministry of Justice for Alternative Dispute Resolution (ADR), and if ADR fails, parties shall resort to litigation.

AMENDMENTS

This Memorandum of Understanding shall constitute the total and full understanding of the parties, and no addition or alteration may be made to this agreement without the consent of both parties first had and obtained.

APPLICABLE LAW

This Memorandum of Understanding shall be governed by and interpreted under the relevant Laws of the Federation of Nigeria and of Edo State Government]

NATURE, TERMINATION AND DURATION

Each Party acknowledges that this MoU is intended to be an expression of mutual intent and understanding between the Parties. Accordingly, this MoU may be terminated at any time by any

Party hereto by giving written notice of such termination to the other Party. In the event that this MoU is not terminated, the term of this MoU shall be for a period of two (2) years from the effective date first and above written.

The parties hereby agree to honour this Memorandum of Understanding and voluntarily append their signatures to same.

DURATION AND REVIEW

This Memorandum of Understanding shall be for an initial period of 2 years commencing from the date of the MoU and may be reviewed and extended by the parties in writing specifying the terms and the conditions thereto.

CAVEAT

The signing of this MoU does not guarantee that the application of an investor to invest in the FRILIA project will be approved, as this may be subject to the final compliance of the investor with relevant regulatory approvals, permits and/or licences.

IN WITNESS THEREOF, the Parties hereto have set their hands and seal in the manner below, the day and year first above written and the public seal of Edo State Government] is hereby affixed in the presence of the approved representatives of Edo State Government.

Name :

Designation:

Signature:

SIGNED, SEALED AND DELIVERED by the within-named INVESTOR.

.....

[Name of Investor]

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

GMoU Template 2 - List of relevant Federal Government/State Governments MDAs and their respective mandates

| REGULATORY BODY | STATUTORY FUNCTIONS AND MANDATE |
|------------------------------|--|
| Corporate Affairs Commission | Registration and regulation of Companies, Business Names and Incorporated Trustees |

| | |
|--|---|
| Nigeria Investment Promotion Commission (NIPC) | NIPC is an agency of the Federal Government established to encourage, promote and coordinate foreign investments in Nigeria. NIPC is empowered to grant investment incentives to investors such as Pioneer Status for new technologies, tax holidays and expatriate quota positions. It is mandatory for any registered company with foreign ownership/equity to register with NIPC and obtain a Business Registration Certificate. |
| Federal Ministry of Environment (FME) National Environmental Regulatory Enforcement Agency (NESREA) | FME is responsible for conducting Environmental Impact Assessment on new agricultural projects above a specified land size (scale) and/or proposed to be sited in sensitive locations in order to evaluate probable environmental and social impacts. |
| Federal Inland Revenue Service (FIRS) | Registration & payment of corporate tax, VAT, Stamp duty, issuance of tax identification number (TIN) for companies and Tax Clearance Certificates. |
| Federal Ministry of Agriculture & Rural Development | Policy formulation and implementation, strategic grains reserve management, staple crops processing zones, infrastructural development to support agricultural value chains, agriculture extension services, monitoring and surveillance activities, Gender and Youth in Agriculture Development, Agribusiness & Investment. |
| Nigeria Immigration Service | Expatriate quota, Business Visas, Visa on arrival, Residence Permits, Work Permits |
| National Agricultural Seeds Council | Seed certification, Seed company registration, Seed importation, Seed inspection, Seed license renewal, seed testing, Breeder & Foundation Seeds Sales, Seed processing & storage services. |
| National Centre for Genetic Resources and Biotechnology (NACGRAB) | Regulates the seed, livestock and fisheries industries through its Varietal Release Committees, conduct research, gather data and disseminate technological information on matters relating to genetic resources. conservation, utilization and biotechnology applications. NACGRAB maintains the register of crop varieties released in Nigeria for commercialisation. |
| Nigeria Agricultural Quarantine Service (NAQS) | NAQS mandate is to prevent the introduction, establishment and propagation of animal and plant diseases. It handles animal and plant quarantine including Issuance of import and export certificates for animal and plant produce. The agency ensures that Nigeria's |

| | |
|--|---|
| | agricultural exports meet with international standards in line with International Plant Convention and World Organisation for Animal Health. |
| National Agency for Food and Drugs Administration and Control (NAFDAC) | NAFDAC regulates and control the importation, exportation, manufacture, advertisement, distribution, sales and use of food, drugs, cosmetics, medical devices, bottled water and chemicals. Agro- chemical products; e.g. pesticides, fertilizers, herbicides require NAFDAC registration before they can be distributed and sold in the country. |
| National Biosafety Management Agency (NBMA) | NBMA is responsible for providing the regulatory framework, institutional and administrative mechanism for safety measures in the application of modern biotechnology in Nigeria with a view to preventing any adverse effect on human health, animals, plants and environment. |
| National Biotechnology Development Agency (NABDA) | NABDA implements government policies aimed at promoting, coordinating and setting research and development priority in biotechnology. |
| Agricultural Research Council of Nigeria (ARCN) | ARCN has the mandate for the coordination, supervision and regulation of agricultural research, training and extension services in the 15 National Agricultural Research Institutes and the 11 Federal Colleges of Agriculture. |
| Institute of Food Security, Environmental Resources & Agricultural Research (IFSERAR) | IFSERAR. has the mandate to conduct research related to Food Security, Environmental and Natural Resources, and Agricultural Production and act as change-agent for the transformation of Nigerian Agriculture through scientific research and the development of improved agricultural technologies in Nigeria. |
| Nigeria Export Promotion Council (NEPC) | NEPC handles export trade facilitation and manages the incentives-based Export Expansion Grant Programme. It also coordinates the registration of exporters of agricultural produce, e.g. cocoa, soybeans, cashew nuts, spices, ginger, sesame, leather, dry beans, etc |
| National Office for Technology Acquisition and Promotion (NOTAP) | NOTAP handles the registration of all foreign technology transfer agreements having effect in Nigeria, promotion of intellectual property, patent information & documentation centre, monitoring of consultancy and extension services, commercialization of R&D inventions |

| | |
|--|--|
| Bank of Agriculture (BOA) | BOA's mandate is primarily to provide agricultural credit facilities to support all agricultural value chain activities, provide non-agricultural micro credit, savings mobilization, capacity development through cooperative development of agricultural information system and provision of technical support and financial advisory services |
| Nigerian Agricultural Insurance Corporation (NAIC) | NAIC is a wholly owned government insurance company providing agricultural risks insurance cover to farmers. Specific areas of insurance cover are for crops and livestock sub-sectors |
| The Nigeria Incentive - Based Risk Sharing System for Agricultural Lending (NIRSAL Plc) | NIRSAL was launched in 2011 by the Central Bank of Nigeria as a USD 500 Million public-private initiative to stimulate the flow of affordable finance and investment into the agricultural sector by de-risking the agriculture & agribusiness finance value chain, fixing agricultural value chains, building long-term capacity, and institutionalizing incentives for agricultural lending through its 5 strategic pillars: Risk Sharing, Insurance, Technical Assistance, Incentives and Rating. |
| Central Bank of Nigeria (CBN) | CBN as the apex bank in a bid to stimulate the development and provides sustainable low credit facilities to the agricultural sector intervenes directly through programs and policies, e.g. CNN Anchor Borrowers Programme, Agricultural Credit Guarantee Scheme Fund, Agriculture Credit Support Scheme, Commercial Agriculture Credit Scheme. |
| River Basin Development Authorities | River Basin Development Authorities in Nigeria are Federal Government owned agencies responsible for the management of water resources for agriculture and other uses, e.g. hydro power generation. There are 12 River Basin Development Authorities in different agro ecological/political zones across the country providing irrigation services to farmers, assisting farmers in processing food crops and controlling river pollution and flood management. |
| Nigeria Customs Service (NCS) | NCS is responsible for the collection of customs revenue at ports and border posts, national and international trade facilitation and prevention of smuggling of prohibited items. |
| Plant Varieties Protection Office | The Plant Variety Protection Office, domiciled in the National Agricultural Seeds Council is |

| | |
|--|---|
| | the authority responsible for performing all functions and duties related to the registration and protection of plant varieties in Nigeria. |
|--|---|

GMoU Template 3- Licence and Permit Compliance Checklist at the Federal and State Governments levels

| Federal Govt Agency | Permit required | Supporting documents | Timeframe to obtain approval | Fees payable |
|---|---|--|------------------------------|---|
| Corporate Affairs Commission Plot 420, Tigris Crescent, Off Aguiyi Ironsi Street, Maitama, Abuja www.cac.gov.ng | Certificate of incorporation as a duly registered limited liability company | Form CAC1.1 (Application for registration) - Memorandum and Articles of Association ID (passport bio-data page, driver's license, National Identity Card) - Resident permit of foreigners - Stamp duty evidence of payment | 3-4 weeks | Registration fee of N15,000 N5000 for every N1million share capital |
| Federal Ministry of Environment (Environmental Assessment Dept.) Environment House, Independence Way Central Area Abuja www.environment.gov.ng | Environmental Impact Assessment (EIA) permit | Submission of project proposal - Completed EIA Notification Form - Payment of prescribed fee | 6-12 months | N250,000 initial deposit and N50,000 registration fee |
| National Agricultural Seeds Council (NASC) Km 29 Abuja - Lokoja Expressway, Sheda FCT | - Seed company accreditation - Seed certification - Seed import permit - Seed testing & inspection - Seed license renewal | Certificate of incorporation - Company profile - Memorandum & Articles of Association - Audited company account - Tax Identification Number (TIN) | 1-3 month | Registration form- N5000 Processing form – N5000 Company Licence & renewal – N15,000 to |

| | | | | |
|--|---|--|------------|---|
| www.seedcouncil.gov.ng | | and Tax Clearance Certificate - Bank references - Duly completed registration form - Payment of registration fee - Site and facilities inspection - Approval | | N60,000 |
| Nigeria Agricultural Quarantine Service (NAQS) Enugu State Building, Plot 81 Ralph Shodeinde Street, Central Business District, Abuja www.naqstest.com.ng | Import permits - Export permits - Phytosanitary certificates - Import permit for live animals is subject to a reasonable quarantine period of the live animal | Duly completed import permit application form | 1-2 weeks | N5,000- N25,000 |
| National Agency for Food and Drugs Administration and Control (NAFDAC) NAFDAC Corporate Headquarters Plot 2032 Olusegun Obasanjo Way, Zone 7, Wuse, Abuja www.nafdac.gov.ng | Registration/ permits for imported, locally manufactured food, drugs, cosmetics, medical devices, bottled water, chemicals, agro chemical products, e.g. pesticides, fertilizers, herbicides, veterinary products | - Completed application form - Certificate of Incorporation - Certificate of Product Analysis - Product samples - Notarized power of Attorney - Certificate of Manufacture - Payment of prescribed fee | 1-3 months | N30,000 registration fee N30,000 inspection fee |
| National Biotechnology Development Agency (NABDA) National Park Headquarters, Umaru Musa Yar Adua Road, Lugbe, Abuja www.nbma.gov.ng | Biosafety permit for GMO crops and food products | - Submission of NBMA application form - Payment of prescribed fee - 21-day public notice of application published in 2 national dailies, NBMA website, | 270 days | Variable fees depending on the nature of application but ranges from N1-5 Million |

| | | | | |
|--|--|--|--|--|
| | | etc - Risk assessment carried out by NBMA | | |
| Nigerian Export Promotion Council (NEPC) Plot 424 Aguiyi Ironsi Street, Maitama, Abuja www.nepc.gov.ng | Export permit for agricultural produce, - cocoa, soybeans, cashew nuts, spices, ginger, sesame, leather, dry beans | Certificate of incorporation - Memorandum and Articles of Association - Particulars of Directors | 24 hours after confirmation of payment | New certificate registration – N13,500 |
| National Centre for Genetic Resources and Biotechnology (NACGRAB) Moor Plantation, Apata, Ibadan, Oyo State www.nacgrab.gov.ng | Registration, release for commercialization of new crop varieties | - The Distinctiveness, Uniformity and Stability (DUS) test - Value for Cultivation and Use (VCU) test - Crop descriptor - Application and supporting documents must be in English, Nigeria official language. | 2-3 years | N500,000 – N1 Million |
| Nigeria Investment Promotion Council (NIPC) Plot 1181 Aguiyi Ironsi Street, Maitama, Abuja www.nipc.gov.ng | Business Registration Certificate for companies with foreign ownership/equity, Investment incentives to investors e.g. Pioneer Status, tax holidays, expatriate quota positions. | - Duly completed Business Registration/NIPC Form 1 - Memorandum & Articles of Association - Certificate of Incorporation - CAC Form 1.1 - Power of Attorney - NIPC Payment receipt | 24 hours | N15,000 |
| National Office of Technology Acquisition & Promotion | Registration and monitoring of: - Technology Transfer Agreement | -Two copies of technology transfer agreement -Two copies of | 1-2 months | N50,000 presentation fee Registration fee (Ranges |

| | | | | |
|--|---|--|--|-------------------------------------|
| <p>(NOTAP) 4 Blantyre Street Wuse II Abuja www.notap.gov.ng</p> | <ul style="list-style-type: none"> - Management Services Agreement, - Technical Know-How Agreement - Trade License Agreement - Consultancy Services Agreement - Software License Agreement - Franchise Agreement - R&D Agreement | <ul style="list-style-type: none"> completed NOTAP Forms Memorandum & Articles of Association - Profile of the foreign company - TIN and Tax Clearance Certificate - Audited accounts for 3 yrs. - Turn over/ profit of locally manufactured goods covered by the agreement - Evidence of capital importation | | from N100,000 – N20 Million & above |
| <p>Federal Inland Revenue Service Revenue House, 15 Sokode Crescent, Wuse Zone 5, Abuja www.firs.gov.ng</p> | Registration of new taxpayer, payment of corporate tax, VAT, Stamp duty, issuance of tax identification number (TIN) for companies and Tax Clearance Certificates | <ul style="list-style-type: none"> - Certificate of Incorporation - Memorandum & Articles of Incorporation - CAC 7 Particulars of company Directors - CAC 2 detailing statement of share capital and return of allotment of shares Completed and officially stamped VAT registration form 001 - Application letter on the company's letter head paper | | |

Licence and Permit Compliance Checklist at Edo State Government level. The State Government is to provide needed details and information for the FRILIA Investor using the same template below

| State Govt MDA | Permits required | Supporting documents | Timeframe to obtain approval | Fees payable |
|----------------|------------------|----------------------|------------------------------|--------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

MoU FOR THE IMPLEMENTATION OF COMMUNITY DEVELOPMENT PROJECTS

BETWEEN

Edo State Government

AND

FRILIA AGRO- INVESTOR

AND

[HOST COMMUNITY]

Executive Order issued on 31st December 2024

This MEMORANDUM OF UNDERSTANDING is made this ---- Day of ----- 20--

BETWEEN [NAME OF THE INVESTOR] of [Address of investor] (hereinafter referred to as “THE INVESTOR”) the expression shall where the context so admits, include its directors, contractors, subcontractors, executors, administrators, agents of the ONE PART AND Edo State Government} the expression shall where the context so admits include its representatives, executives,

administrators, agents of the ONE PART AND [NAME OF THE HOST COMMUNITY AND THE REPRESENTATIVE] of [Address of both parties] (hereinafter referred to as “HOST COMMUNITY”) the expression shall where the context so admits includes its traditional rulers, local chiefs, contractors, subcontractors, executors, administrators, agents of the OTHER PART.

1. WHEREAS:

- a) Edo State Government is a subnational in the Federal Republic of Nigeria
- b) Edo State Government is developing and implementing FRILIA programmes with the objective of attracting major private investors in the agricultural sector of the State whilst protecting the interest of the host communities.
- c) Host Community is the Project Affected Community where a FRILIA-compliant project is executed.
- d) Investors are individuals or corporate entities who invest in the agricultural sector of Edo State Government through the execution of the FRILIA programme to promote the social and economic development of the State.
- e) The FRILIA programme is designed to ensure that any investment under the programme is for the overall benefit of the Investor, host communities and Edo State Government.
- f) It is essential for parties to this MoU to jointly collaborate to ensure a conducive environment of operations of the investment project to be executed without disruptions by the host community.
- g) Edo State Government and the Host community undertake to assist the Investor in realizing his lawful business objectives and programmes.
- h) It is important to maintain constant and effective communication by all parties to this MoU throughout the entire investment project phases. Community-based projects by the Investor and/or Edo State Government] are required to improve the overall well-being of the host community and identify vulnerable persons and groups that may be affected by implementing an agricultural project within the project areas.
- i) In reviewing Community Development Projects, the Parties shall consider initiatives that promote sustainable development and have lasting benefits to the community's immediate needs, and support existing government programmes that are easy to implement and maintain by the community.
- j) The parties have agreed to always uphold the FRILIA Principles during the investment and any subsequent activities. The parties are entering into this Agreement without prejudice and to establish an amicable and mutually beneficial relationship.
- k) The obligations and duties of the FRILIA investor to the Host Community under this MoU are only supplementary, and not intended to take over the primary obligation of Edo State Government] in providing basic social and economic amenities to the host communities.

2. Objectives

a) To give general guidance on which community development projects will be implemented, how they will be implemented when they will be implemented, what resources will be required for implementation, and who will be responsible for and involved in the implementation in compliance with the Community Needs

Assessment and Community Development Plan framework.

b) Encourage the introduction and implementation by the Investor of social programmes and projects required for the sustainable development of the Host

Community.

c) Following FRILIA's overarching principles, ensure that host communities are engaged and contribute to the development and introduction of community development projects.

d) Develop a process to identify, review and approve projects in a transparent and objective manner through the governance model in paragraph --- of the MoU.

e) Monitor the implementation of identified community development projects in a transparent manner.

f) Ensure that there is no conflict of interest on the part of any community member, government official or official of the investor in the project formulation, identification, and implementation processes.

g) Provide a comprehensive and transparent grievance redress mechanism to provide access for the settlement of disputes among parties to this MoU.

3. The obligations of the Investor under this MoU are the following:

Consult with the Community Project Management Board and the representatives of the Host Community from time to time concerning sustainable development programmes that can be implemented for the benefit of the community.

Support the community in capacity-building programmes and institutional strengthening to understand and monitor agreed community development programmes and projects.

4. The obligations of the Host Community under this MoU are the following:

a) Dialogue and have effective communication, when necessary, with the Investor and the Community Project Management Board, and maintain cordial relations with the Investor and its officials throughout the phases of the project.

b) Undertake not to disrupt the lawful operations of the investor.

c) Nominate competent and honest community representatives to serve in official capacities in committees to discuss and approve community development programmes and projects.

d) Inform and communicate to the community through approved channels of the activities and projects of the Investor including community development programmes agreed upon.

e) Collaborate with the Edo State Government and the Community Project Management Board and other interested stakeholders in bringing about sustainable growth development in their community.

f) To ensure community development-related disputes are resolved amicably through the channel set out in paragraph 6 of this MoU.

5. The obligations of the Edo State Government under this MoU are the following:

a) Provide adequate security for the Investor to operate and the Host Community to support the Investor in realising its overall business objectives.

b) Facilitate the Investor's projects by providing a conducive business and investment friendly environment.

c) Serve as an impartial arbiter between the Investor and the Community.

d) Conflict resolution responsibility for smooth business operations and ensure cordial relationship between the Investor and Host Community.

6. Governance Model

To encourage transparency and accountability and to achieve the objectives of this MoU, The Parties shall establish the Community Development Council otherwise known as 'the Council' which shall constitute the following committees to implement the terms of this MoU: -

a) The Community Project Management Board ("CPMB")

b) The Grievance Resolution Committee (GRC)

6.1 The CPMB shall be the committee providing general oversight of all activities contemplated by this MoU.:

The CPMB may comprise of representatives of the following:

1. Ministry of Agriculture

2. Ministry of Women Affairs and Social Development,

3. Local Government Authority

4. Traditional rulers

5. The affected community and,

6. The investor.

7. Others as may be relevant to the community development priorities identified and agreed.

The duties of the CPMB shall be to:

a) Implement the Community Development projects following the Implementation Schedule template for the Community Development Plan framework contained in Schedule 1 of this MoU.

- b) Ensure the conduct of the approved agricultural investment project following extant laws, regulations and policies of Edo State Government and the Federal Government of Nigeria, including observing international best practices in its operations.
- c) Adopt the principle of free, prior and informed consultation in the discussion, identification and approval of community-based programmes and projects.
- d) Foster active engagement with the communities.
- e) Act as the initial facilitator of the negotiation process between the parties to this MoU.
- f) Ensure compliance with the Community Needs Assessment and Community Development Plan framework.
- g) Provide general oversight for the community and approve the Community Development Plan.
- h) Engage in conflict resolution between stakeholders.
- i) Negotiate in an open, transparent, and fair manner without any form of undue influence, intimidation or coercion.
- j) Approve the implementation of community development projects.
- k) Decide the necessary procedures, tenure of office, members' eligibility, quorum, structure, and organs to regulate its meetings.

6.2 The Grievance Resolution Committee (GRC)

The Committee shall allow the complainant to present their case wherein such person is an investor, or the representative of the investor or the host community or member of the host community or representative of the government. Voting will be by simple majority. In the event of a tie, the chairman has the tie-breaking vote.

The duty of the Grievance Resolution Committee (GRC) is to address and resolve FRILIA-related conflicts from stakeholders within a reasonable timeline and minimise conflicts as much as possible **(Refer to the state FRILIA GRM Toolkits for details)**.

7. Grievance Redress Mechanism

In the event of any dispute arising out of this MoU, the matter shall first be referred to the FRILIA GRM Uptake points at the Edo State Government Land Management Unit of the Ministry of Agriculture, the host community or any other uptake points in the state. This shall be reviewed and passed to the CDA or the FRILIA GRC, as the case may require. The CDA or GRC shall attempt to resolve all disputes amicably between aggrieved parties. If parties are not satisfied with the resolution of the FRILIA GRC, any unresolved grievance shall be escalated to the Grievance Appeal Committee or to the Edo State Government, Ministry of Justice for Alternative Dispute Resolution (ADR), and if ADR fails, parties shall resort to litigation.

8. Community Development Project

The type of community development projects to be considered for implementation by the CPMB shall be subject to the projects identified by the parties.

9. Funding of Approved Projects

Funding of agreed Community Developments Programmes and Projects shall be negotiated between the parties to this MoU. A shared model of funding is recommended to foster ownership from community partners.

10. Approval Process

It shall be the responsibility of the Edo State Government to approve any recommendation of the CPMB to ensure that it aligns with the government's overall development agenda.

11. Applicable Law

This Memorandum of Understanding shall be governed by and interpreted under the relevant Laws of the Federation of Nigeria and Edo State Government.

12. Duration and Review

This MoU shall be for an initial period of 1 year commencing from the date of the MoU and may be extended by the parties in writing specifying the terms and the conditions thereto.

13. Caveats

Terms and conditions herein contained may be subject to further modification and amendment by the parties to suit the nature of their project and investment.

IN WITNESS THEREOF, the Parties hereto have set their hands and seal in the manner below, the day and year first above written and the public seal of the Edo State Government is hereby affixed in the presence of the Edo State Government representatives.

Name of Edo State Government Representative:

Designation:

Signature:

SIGNED, SEALED AND DELIVERED by the within-named PARTIES.

ON BEHALF OF "THE HOST COMMUNITY"

Name:

Address:

Designation:

Signature:

ON BEHALF OF "THE INVESTOR"

Name:

Address:

Designation:

Signature: _____

IN THE PRESENCE OF: IN THE PRESENCE OF:

NAME: _____

NAME: _____

ADDRESS: _____

ADDRESS: _____

OCCUPATION: _____

OCCUPATION: _____

SIGNATURE: _____

SIGNATURE: _____

ILLITERATE JURAT FOR THE PERSONS INTERESTED

The content of this Memorandum of Understanding was read over and interpreted to the persons interested in English Language to ----- Language who seem to have understood the same before appending their signatures thereto.

Name of Interpreter:

Signature:

Occupation:

Address:

SCHEDULE 1

1. Implementation schedule template for community development projects
2. Monitoring and evaluation template

LOCAL EMPLOYMENT MoU

BETWEEN

Edo State Government

AND

FRILIA AGRO- INVESTOR

AND

[PROJECT AFFECTED COMMUNITY]

Executive Order issued on 31st December,2024

This MEMORANDUM OF UNDERSTANDING is made this ---- Day of ---- 20-----

BETWEEN Edo State Government the expression shall where the context so admits include its representatives, executives, administrators, agents of the ONE PART AND [NAME OF THE INVESTOR] a company registered and licensed under the laws of the Federal Republic of Nigeria and having its registered office at(hereinafter referred to as "THE INVESTOR") the expression shall where the context so admits include its directors, contractors, subcontractors, executors, administrators, agents of the ONE PART, AND [NAME OF THE COMMUNITY AND THE REPRESENTATIVE] of [Address of Representative of the community and the Local Government Area] (hereinafter referred to as "THE HOST COMMUNITY") the expression shall where the context so admits include its traditional rulers, local chief, contractors, subcontractors, executors, administrators, agents of the OTHER PART.

1. WHEREAS:

1.1 Edo State Government is a subnational entity in the Federal Republic of Nigeria.

1.2 Edo State Government is developing and implementing the FRILIA programmes to attract major private investors in the agricultural sector of the state to promote sustainable development through the eradication of poverty and the creation of employment opportunities.

1.3 Project Affected Community is the host community where a FRILIA-compliant project is executed.

1.4 Investors are individuals or corporate entities who invest in the agricultural sector of [Insert name of State Government] through the execution of FRILIA programmes to promote the social and economic development of the state.

1.5 The parties have agreed to always uphold the FRILIA Principles during the investment and any subsequent activities. The parties are entering into this Agreement without prejudice and to establish an amicable and mutually beneficial relationship.

2. OBJECTIVES

a) The objective of this MoU is to enhance economic development and eradication of poverty through job creation for indigenes and residents of Edo State Government and inclusive economic growth.

b) To protect the rights of the employers and the community workers in accordance with the labour laws of Nigeria and World Bank IFC Standards.

DEFINITION OF TERMS

a) "Communities" means the communities identified in Schedule 1 which expression shall include as necessary, local government leaders, Community Leaders, Youth and Women's groups and all indigenes, all satellite settlements and accredited interests and "Community" shall be construed accordingly.

- b) "Worker" means a worker employed by investors, contractors or any other stakeholder for the implementation of a compliant project.
- c) "Child" means a young person under the age of 18 years.

3. APPLICABLE PRINCIPLES

IN FURTHERANCE OF THE AGREEMENT the following principles are hereby agreed by parties to promote sustainable development through the creation of employment opportunities, community development and fair working conditions for the community workers:

3.1 Contract of Employment

At the commencement of the employment, the employer shall give to the worker a written statement specifying:

- a) The name of the employer or group of employers, and where appropriate, the undertaking by which the worker is employed.
- b) The name and address of the worker and the place and date of his engagement.
- c) The nature of the employment, if the contract is for a fixed term, the date when the contract expires.
- d) The rates of wages and method of calculation thereof and the manner and periodicity of payment of wages.

Any terms and conditions relating to hours of work, or holidays and holiday pay, or incapacity for work due to sickness or injury, including any provisions for sick pay.

Any special conditions of the contract.

The appropriate period of notice to be given by the party wishing to terminate the contract shall be under the following conditions:

- 1) 1-day notice shall be required where the contract has continued for 3 months or less.
- 2) 1-week notice shall be required where the contract has continued for more than 3 months but less than 2 years.
- 3) Two notices shall be required where the contract has continued for 5 years but less than 5 years; and
- 4) 1-months' notice shall be required where the contract has continued for five years or more.

3.2 Capacity Representative

The employment of community workers in the execution of a FRLIA-compliant project shall ensure gender equality and adequate representation of women and youths, to accommodate at least 40% of women and youths.

3.3 No Agency Relationship

This MoU is not intended to create and shall not be construed to create an agency relationship between the Parties, and no Party shall be deemed to be an agent or representative of another Party by virtue of this MoU. This MoU shall not constitute any committee as the agent or legal

representative of the Investor or its contractors, nor shall any committee have the right or authority to assume, create or incur any liability or obligation, express or implied, against, in the name of, or on behalf of the Investor or its contractors.

3.4 Non-Discrimination

There will be no discrimination regarding any aspects of the employment relationship, including hiring and recruitment, compensation (including wages and benefits), working conditions and terms of employment, access to training, job assignment, promotion, termination of employment or retirement, or disciplinary procedures.

- a) Provided recruitment process is in accordance with the Nigerian labour law, special measures of protection and support to address discrimination or selection for a specific position based on the intrinsic requirements of the job or the project's objectives won't be regarded as discrimination.
- b) The investor will offer adequate protection and assistance to address the vulnerabilities of community employees, including categories of workers including women, people with disabilities, migrant workers, and children.

3.5 Child Labour

3.5.1 A child over the minimum age of 16 years and under the age of 18 may be employed or engaged in connection with the project only under the following specific conditions:

- a) The work is not likely to be hazardous or interfere with the child's education or be harmful to the child's health or physical, mental, spiritual, moral or social development.
- b) It does not require in any case lifting, carrying or moving anything so heavy as to be likely to injure his physical development.
- c) An appropriate risk assessment is conducted prior to the work commencing; and
- d) The employer conducts regular monitoring of health, working conditions, hours of work.

3.5.2 A young person under the age of 18 years may be employed only-

- a) On a daily wage.
- b) On a day-to-day basis; and so long as he returns each night to the place of residence of his parents or guardian, or a person approved by his parents or guardian.

3.5.3 No young person under the age of 18 years shall be employed in circumstances in which it is not reasonably possible for him to return each day to the place of residence of his parent or guardian except-

- a) With the approval of an authorized labour officer; and a written contract (which, notwithstanding any law to the contrary, shall not be voidable on the ground of incapacity to contract due to infancy)

3.5.4 No young person under the age of sixteen years shall be employed to work underground, on machine work; or a public holiday.

3.5.5 No person shall continue to employ any young person under the age of sixteen years after receiving notice either orally or in writing from the parent or guardian of the young person that the young person is employed against the wishes of the parent or guardian.

3.5.6 No young person under the age of sixteen years shall be required to work for a longer period than four consecutive hours or permitted to work for more than eight working hours in any one day.

3.6 Forced Labour

The term "forced labour," which refers to any employment or service that is required of a person under fear of force or punishment and is not voluntary, will not be used in connection with the FRILIA initiative. Any form of forced or involuntary labour is prohibited, and no people who have been trafficked will be employed in the project.

3.7 Occupational Health and Safety

All parties who employ workers will develop and implement procedures to establish and maintain a safe working environment, including workplaces, machinery, equipment processes under their control are safe and without health risk, including by use of appropriate measures relating to chemical, physical and biological substances and agents.

Such parties will actively collaborate and consult with workers in promoting understanding and methods for, the implementation of Occupational Health and Safety requirements, as well as in providing information to workers, training on occupational safety and health, and provision of personal protective equipment without expense to the project workers.

4. OBLIGATION OF THE INVESTOR

4.1 The investor covenants to comply with all the applicable principles of this MoU and the Labour Laws of Nigeria

4.2 The investor agrees that it shall use its reasonable endeavours to ensure that its contractors shall hire community workers as such contractors may require, provided that prospective workers have the necessary qualifications and that the number of Community workers to be employed would be determined solely by the Investor and its contractors.

4.3 The Parties agree that the Investor and its Contractors shall have the discretion to select or reject any worker presented by the governance model which in the Investor or the relevant contractor's opinion, is not competent in terms of qualifications, skill, or attitude and that the Investor or relevant its Contractor may deal with such worker by the terms of his employment.

5. Edo State Government OBLIGATIONS

To ensure compliance of the investors with the terms of this MoU.

6. GENERAL PRINCIPLES

6.1 Amendment

This MoU shall constitute the total and full understanding of the parties, and no addition or alteration may be made to this agreement without the consent of both parties first had and obtained.

6.2 Supremacy of this MoU

The MoU shall be the one single expression of the understanding between the Parties regarding all activities of the project

6.3 Applicable Law

This Memorandum of Understanding shall be governed by and interpreted under the laws of the Federal Republic of Nigeria and all the relevant laws of Edo State Government.

6.4 Grievance Redress Mechanism

In the event of any dispute arising out of this MoU, the matter shall first be referred to the FRILIA GRM Uptake points at the Land Management Unit of the Ministry of Agriculture, the host community or any other uptake points in the state. This shall be reviewed and passed to the CDA or the FRILIA GRC, as the case may require. The CDA or GRC shall attempt to resolve all disputes amicably between aggrieved parties. Any unresolved grievance shall be escalated to the Grievance Appeal Committee or the matter shall be escalated to the Edo State Government Ministry of Justice for Alternative Dispute Resolution (ADR), and if ADR fails, parties shall resort to litigation.

6.5 Duration and Review

This Memorandum of Understanding shall be for an initial period of 1 year commencing from the date of the MoU and may be extended by the parties in writing specifying the terms and the conditions thereto.

6.6 Caveats

Terms and conditions herein contained may be subject to further modification and amendment by the parties to suit the nature of their project and investment.

IN WITNESS THEREOF, the Parties hereto have set their hands and seal in the manner below, the day and year first above written and the public seal of the [Insert name of State Government] Government is hereby affixed in the presence of the approved Edo State Government] representatives.

Name of Representative of Edo State Government:

Designation:

Signature:

SIGNED, SEALED AND DELIVERED by the within-named representative of the Community.

[Name of Representative of the Community]

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

Representative of the Communities:

NAME _____

POSITION _____

ADDRESS _____

SIGNATURE _____

DATE _____

SIGNED, SEALED AND DELIVERED by the within-named Investor.

[Name of the Investor]

Name: _____

Address: _____

Designation: _____

Signature: _____

IN THE PRESENCE OF:

Witness 1

NAME: _____

ADDRESS: _____

OCCUPATION: _____

SIGNATURE _____

Witness 2

NAME: _____

ADDRESS: _____

OCCUPATION: _____

SIGNATURE _____

ILLITERATE JURAT FOR THE PERSONS INTERESTED

The content of this Memorandum of Understanding was read over and interpreted to the persons interested from the English Language to _____ Language who seem to have understood same before appending their signatures thereto.

Name of Interpreter: -----

Signature: -----

Occupation: -----

Address: -----

SCHEDULE 1

The Community shall consist of the following:

- 1 Local government leaders Community Leaders
2. Community Development Committees
3. Youth and Women's groups
4. All indigenes
5. All satellite settlements
7. Accredited interest groups

MEMORANDUM OF UNDERSTANDING

BETWEEN

FRILIA AGRO- INVESTOR

AND

[NAME OF OUT-GROWER/ COMPANY OR COOPERATIVE
GROUP/PRODUCER]

Executive Order No. issued on 31st December 2024

This MEMORANDUM OF UNDERSTANDING is made this ---- Day of ---- 20-----

BETWEEN [NAME OF THE INVESTOR] of [Address of investor] (hereinafter referred to as "THE INVESTOR") the expression shall where the context so admits include its directors, contractors, subcontractors, executors, administrators, agents of the ONE PART AND [NAME OF THE OUT-GROWER COMPANY] of [Registered Office Address of the Out-grower company] (hereinafter referred to as "THE OUT-GROWER") the expression shall where the context so admits include its directors, contractors, subcontractors, executors, administrators, agents of the OTHER PART.

1. WHEREAS

1.1 Edo State Government is developing a framework to implement inclusive, responsible and sustainable agricultural investment strategies through the Framework for Responsible and Inclusive Land Intensive Agricultural Investment (FRILIA).

1.2 The Investor plans to invest in a large-scale agribusiness project, "Project Name and Description" which comprises the following: "(Provide list of key elements)".

1.3 The Out-grower is a farmer or a group of small-scale farmers under the leadership of a registered cooperative society, VCDFs or limited liability company who undertakes to supply crops, vegetables, or livestock to FRILIA investors for the implementation of FRILIA-compliant projects subject to the terms agreed by the parties.

1.4 Parties are entering into this Memorandum of Understanding without prejudice and with a view to creating understanding, and mutually beneficial between them, each with a binding commitment to always abide by the FRILIA Principles during the investment and subsequent operations.

1.5 The objective of this MoU is to facilitate the production or supply of crops, vegetables, or livestock by out-growers to FRILIA investors by the terms agreed by the parties and FRILA Principles No. 2

2. IN FURTHERANCE OF THE AGREEMENT the following terms are hereby agreed by parties to bring land-intensive agricultural investment to fruition:

a) The roadmap for agri-business FRILIA supplies between the investors and out-growers shall as far as practicable be aligned with the Investor Out-grower

Template and the Out-grower Models.

b) The Investor shall enter into an agreement contained in a written contract with the Out-grower and the terms of the contract shall be agreed by both parties.

c) The applicable principles of the Out-Grower and Investor Contract are set out in the Out-grower Template 1, and parties are under an obligation to adhere to the principles during the drafting and execution of the contract.

d) The Investor must commit to following the processes set out in the Out-Grower Template.

e) The Investor is under the obligation to commit to the Principles and Processes contained in the Food Security Template.

3. FORCE MAJEURE

- a) Neither of the parties shall be considered in breach of this MoU to the extent that the performance of their respective obligations (excluding payment obligations) is prevented by unforeseen circumstances that may arise after the effective date.
- b) The objective can be the production of specified crops or vegetables by the Out-grower for the Investor under certain conditions or monitoring schedule.
- c) Force Majeure are unforeseen circumstances which can prevent both parties from performing their obligations.
- d) The factors regarded as Force Majeure include but not limited to flood, security challenges, climatic conditions, famine, war, and other unforeseeable circumstances beyond the control of the Parties against which it would have been unreasonable for the affected party to take precautions and which the affected party cannot avoid even by using its best efforts.

4. REMEDIES

- a) In the event of non-performance of obligation by either of the parties, the aggrieved party shall be at liberty to terminate the contract and demand damages.
- b) Non-performance occasioned by an event of Force Majeure shall be excluded from the damages.

5. NATURE, TERMINATION AND DURATION

Each Party acknowledges that this MoU is intended to be an expression of mutual intent and understanding between the Parties. Accordingly, this MoU may be terminated at any time by any Party hereto by giving 10 days written notice of such termination to the other Parties. In the event that this MoU is not terminated, the term of this MoU shall be for a period of 2 years with effect from the effective date and shall be subject to renewal.

6. DISPUTE RESOLUTION

In the event of any dispute arising out of this MoU, the matter shall first be referred to the FRILIA GRM Uptake points at the Land Management Unit of the Ministry of Agriculture, the host community or any other uptake points in the state. This shall be reviewed and passed to the CDA or the FRILIA GRC, as the case may require. The CDA or GRC shall attempt to resolve all disputes amicably between aggrieved parties.

If parties are not satisfied with the resolution of the FRILIA GRC, Any unresolved grievance shall be escalated to the Grievance Appeal Committee or the Edo State Government Ministry of Justice for Alternative Dispute Resolution (ADR), and if ADR fails, parties shall resort to litigation.

7. CAVEAT

Terms and conditions herein contained may be subject to further modification and amendment by the parties to suit the nature of their project and investment.

8. DURATION AND REVIEW

This Memorandum of Understanding shall be for an initial period of 1 year commencing from the date of the MoU and may be extended by the parties in writing specifying the terms and the conditions thereto.

IN WITNESS THEREOF, the Parties hereto have set their hands and seal in the manner below, the day and year first above written:

SIGNED, SEALED AND DELIVERED by the within-named INVESTOR.

[Name of Investor]

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

SIGNED, SEALED AND DELIVERED by the within-named OUT-GROWER.

[Name of Representative of Out-grower]

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

ILLITERATE JURAT FOR THE PERSONS INTERESTED

The content of this Memorandum of Understanding was read over and interpreted to the persons interested from English Language to ----- Language who seem to have understood same before appending their signatures thereto.

Name of Interpreter:

Signature:

Occupation:

Address:

MEMORANDUM OF UNDERSTANDING

ENVIRONMENTAL COMPLIANCE MoU

BETWEEN

Edo State Government

AND

FRILIA AGRO-INVESTOR

AND

FRILIA CONTRACTOR

Executive Order issued on 31st December 2024

This MEMORANDUM OF UNDERSTANDING is made this ---- Day of ----- 20-----

BETWEEN Edo State Government the expression shall where the context so admits include its representatives, executives, administrators, agents of the ONE PART AND [NAME OF THE INVESTOR] of [Address of investor] (hereinafter referred to as “THE INVESTOR”) the expression shall where the context so admits include its directors, contractors, subcontractors, executors, administrators, agents of the ONE PART, AND [NAME OF THE CONTRACTOR] of [Address of investor] (hereinafter referred to as “THE INVESTOR”) the expression shall where the context so admits include its directors, contractors, subcontractors, executors, administrators, agents of the OTHER PART.

1. WHEREAS:

- 1.1 Edo State Government is a subnational entity in the Federal Republic of Nigeria.
- 1.2 Edo State Government is developing and implementing the FRILIA programme to attract major private investors in the agricultural sector to the State whilst minimizing environmental and social impacts.
- 1.3 Investors are individuals or corporate entities who invest in the agricultural sector of [Insert name of State Government] through the execution of a FRILIA-compliant project to promote social and economic development of the State.
- 1.4 Contractors are parties who are employed independently by the Edo State Government or the investors for the execution of a FRILIA-compliant project.
- 1.5 It is the objective of Edo State Government FRILIA programme to enhance socio-economic and sustainable development through FRILIA-compliant projects.
- 1.6 The parties have agreed to always uphold the FRILIA Principles during the investment and any subsequent activities. The parties are entering into this Agreement without prejudice and to establish an amicable and mutually beneficial relationship.

2. OBJECTIVE

To observe environmental protection in all the phases of the FRILIA-compliant project lifecycle (pre-construction, construction, commissioning, operations & maintenance, and decommissioning), in accordance with extant laws, regulations and policies of the Edo State Government and the Federal Government of Nigeria as well as international best practices

3. THE INVESTOR AND CONTRACTOR COVENANTS WITH Edo State Government] AS FOLLOWS:

- 3.1 The Investor and Contractor will undertake an environmental and social impact assessment (ESIA) to assess the environmental and social risks and impacts of a project throughout the project’s life cycle.
- 3.2 The ESIA of FRILIA-compliant project will be identified by the parties through the analysis and planning used by the Edo State Government and the Environmental and Social Risk Management FRILIA Toolkit to guarantee that the environmental and social risk and hazards of the FRILIA-compliant project are avoided, minimised, reduced, or mitigated.

3.3 To guarantee that all potentially significant environmental and social risks are recognised and mitigated, the environmental and social impact assessment will consider coordination with project-affected people and other interested parties, from project design to inception.

3.4 There shall be limited negative environmental and social impacts during the FRILIA-compliant project implementation, including dust and noise from machinery, increase in levels of pollution, occupational and community health and safety risks, loss of biodiversity, amongst others.

3.5 The methods, tools, mitigation measures and documentation of the environmental and social assessment shall be in accordance with the Environmental and Social Risk Management toolkit herein listed in Schedule 1 of this MoU.

4. IN FURTHERANCE OF THIS MoU, the following principles are hereby agreed by parties to ensure a successful implementation FRILIA:

4.1 Parties should incorporate recognized elements of environmental and social assessment good practice, including: early screening of potential effects, consideration of strategic, technical, and site alternatives (including the “no action” alternative), explicit assessment of potential induced, cumulative, and trans-boundary impacts , identification of measures to mitigate adverse environmental or social impacts that cannot be otherwise avoided or minimized and responsiveness and accountability through stakeholder consultation, timely dissemination of program information, and responsive grievance redress measures.

4.2 Parties should incorporate due consideration for social risks and impacts, including: threats to human security through the escalation of personal, communal or inter-state conflict, crime or violence, risks that project impacts fall disproportionately on individuals or groups who may be disadvantaged or vulnerable, any prejudice or discrimination toward individuals or groups in providing access to investment benefits, particularly in the case of those who may be disadvantaged or vulnerable, any risks related to conflict or contestation over land and natural resources.

4.3 Parties should include appropriate measures for early identification and screening of potentially important biodiversity and cultural resource areas.

4.4 Parties should support and promote the conservation, maintenance, and rehabilitation of natural habitats, avoid the significant conversion or degradation of critical natural habitats, including legally protected forest reserves, and if avoiding the significant conversion of natural habitats is not technically feasible, include measures to mitigate or offset impacts of program activities.

4.5 Parties should take into account potential adverse impacts on physical cultural property and as warranted, provide adequate measures to preserve such property and avoid, minimize, or mitigate such adverse impacts.

4.6 Parties should promote community, individual, and worker safety through the safe design, construction, operation, and maintenance of physical infrastructure, industrial and agricultural facilities, or in carrying out activities that may be dependent on such infrastructure and facilities, with safety measures, inspections, or remedial works incorporated as needed

4.7 Parties should promote the use of recognized good practices in the production, management, storage, transport, and disposal of hazardous materials generated through program construction or operations.

4.8 Parties should promote the use of integrated pest management practices to manage or reduce pests or disease vectors.

4.9 Parties should provide training for workers involved in the production, procurement, storage, transport, use, and disposal of hazardous chemicals in accordance with international guidelines and conventions.

4.10 Parties should promote fair treatment, non-discrimination and equal opportunity of workers and prevent the use of all forms of forced labour and child labour in accordance with national and state laws.

4.11 Parties should include measures to avoid, minimize, or mitigate community, individual, and worker risks when program activities are located within areas prone to natural hazards such as floods, hurricanes, earthquakes, or other severe weather or climatic events.

5. GENERAL PRINCIPLES

5.1 Grievance Redress Mechanism

In the event of any dispute arising out of this MoU, the matter shall first be referred to the FRILIA GRM Uptake points at the Land Management Unit of the Edo State Government Ministry of Agriculture, the host community or any other uptake points in the state. This shall be reviewed and passed to the CDA or the FRILIA GRC, as the case may be required. The CDA or GRC shall attempt to resolve all disputes amicably between aggrieved parties. If parties are not satisfied with the resolution of the FRILIA GRC, unresolved grievance shall be escalated to the Grievance Appeal Committee or the Edo State Government Ministry of Justice for Alternative Dispute Resolution (ADR), and if ADR fails, parties shall resort to litigation.

5.2 Amendments

This memorandum of understanding shall constitute the total and full understanding of the parties, and no addition or alteration may be made to this agreement without the consent of both parties first had and obtained.

5.3 Applicable Law

This Memorandum of Understanding shall be governed by and interpreted under the Laws of the Federal Republic of Nigeria and all the relevant laws of Edo State Government

5.4 Duration And Review

This MoU shall be for an initial period of 1 year commencing from the date of the MoU and may be extended by the parties in writing specifying the terms and the conditions thereto.

5.5 Obligation of Parties

To ensure compliance with all FRILLIA principles as contained in all the clauses contained in this MoU.

5.6 The parties agreed to honour this Memorandum of Understanding and voluntarily agreed to append their signatures.

5.7 Caveats

Terms and conditions herein contained may be subject to further modification and amendments by the parties to suit the nature of their project and investment.

IN WITNESS THEREOF, the Parties hereto have set their hands and seal in the manner below, the day and year first above written and the public seal of Edo State Government is hereby affixed in the presence of the approved representatives of Edo State Government.

Name of Edo State Government Representative:

Designation:

Signature:

SIGNED, SEALED AND DELIVERED by the within-named INVESTOR.

[Name of Investor]

.....

[Name of Investor]

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

SIGNED, SEALED AND DELIVERED by the within-named CONTRACTOR.

[Name of Contractor]

[Name of Contractor]

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

ILLITERATE JURAT FOR THE PERSONS INTERESTED

The content of this Memorandum of Understanding was read over and interpreted to the persons interested from English Language to ----- Language who seem to have understood same before appending their signatures thereto.

Name of Interpreter:

Signature:

Occupation:

Address:.....

SCHEDULE 1

1. E&S screening categorisation
2. Regulatory ESIA process
3. ESIA report outline
4. ESIA baseline data collection protocol (environmental parameters)
5. ESIA baseline data collection protocol (social parameters)
6. Potential E&S impacts and significance ranking
7. Recommended mitigation and enhancement measures
8. Outline/Table of Contents for an ESMP
9. E&S Monitoring programme reporting template.
10. E&S Audit activities and reporting template

MEMORANDUM OF UNDERSTANDING

Land Acquisition, Restrictions on Land Use and Involuntary Resettlement MoU

Between

Edo State Government

and

Host Communities [Insert names of Host communities]

and

[NAME OF FRILIA INVESTOR]

and

[PROJECT AFFECTED COMMUNITY]

Executive Order issued on 31st Decemeber,2024

This MEMORANDUM OF UNDERSTANDING is made this ---- Day of ----- 20-----

BETWEEN

Edo State Government (hereinafter the expression shall where the context so admits include its representatives, executives, administrators, agents of the ONE PART AND [NAME OF THE INVESTOR] of [Address of investor] (hereinafter referred to as “THE INVESTOR”) the expression shall where the context so admits include its directors, contractors, subcontractors, executors, administrators, agents of the OTHER PART, AND [NAME OF THE COMMUNITY AND THE REPRESENTATIVE] of [Address of Representative of the community] (hereinafter referred to as “THE HOST COMMUNITY”) the expression shall where the context so admits include its traditional rulers, local chiefs, contractors, subcontractors, executors, administrators, and agents of the OTHER PART.

1. WHEREAS:

- 1.1 Edo State Government is developing and implementing a FRILIA-compliant programme to attract major private investors in the agricultural sector.
- 1.2 Investors are individuals or corporate entities who invest in the agricultural sector of Edo State Government] through the execution of the FRILIA programme to promote social and economic development of the State.
- 1.3 Project Affected Community is the host community where a FRILIA-compliant project is executed.
- 1.4 The parties have agreed to always uphold the FRILIA Principles during the investment and any subsequent activities. The parties are entering into this agreement without prejudice and to establish an amicable and mutually beneficial relationship.
- 1.5 It is essential to improve the living conditions of vulnerable persons who are physically displaced, through the provision of adequate housing, access to services and facilities, and security of tenure during the execution of the project.
- 1.6 It is mandatory that resettlement activities are planned and implemented with appropriate disclosure of information, meaningful consultation, and the informed participation of those affected.
- 1.7 This MoU applies to permanent or temporary physical and economic displacement resulting from the land acquisition or restrictions on land use by the implementation of a FRILIA-compliant project related to:
 - 1.7.1 Land rights or land use rights acquired or restricted through expropriation or other compulsory procedures in accordance with national law.
 - 1.7.2 Land rights or land use rights acquired or restricted through negotiated settlements with property owners or those with legal rights to the land in the event negotiation fails.
 - 1.7.3 Restrictions on land use and access to natural resources that could result in a community or groups within the project-affected community to lose access to resource usage where they have traditional or customary tenure or recognizable usage rights.

1.7.4 Relocation of people without formal, traditional, or recognizable usage rights who are occupying or utilizing land before the specific deadline of the execution of a FRILIA-compliant project.

1.7.5 Displacement of people as a result of FRILIA-compliant project impacts that may render their land unusable or inaccessible.

1.7.6 Land acquisition or land use restrictions occurring before the execution of a FRILIA-compliant project, but which were undertaken or initiated in anticipation of the project.

1.7.7 Restriction on access to land or use of other resources including communal property and natural resources such as marine and aquatic resources, timber and non-timber forest products, fresh water, medicinal plants, hunting and gathering grounds and grazing and cropping areas.

1.7.8 Land rights or claims to land, or resources relinquished by individuals or communities without full payment of compensation.

2. OBJECTIVES

The primary objectives of the MoU are as follows:

- a) To avoid involuntary resettlement or, when unavoidable, minimize involuntary resettlement through the implementation of national and international laws, World Bank IFC Performance Standards and the land access, easement and Land acquisition and involuntary resettlement template contained in Schedule 1 of this MoU.
- b) To avoid forced, forceful eviction of the residents of the affected communities, property owners or those with legal rights to the land during the execution of a compliant project.
- c) To mitigate unavoidable adverse social and economic impacts from land acquisition or restriction on land use during the execution of a FRILIA-compliant project.

3. APPLICABLE PRINCIPLES

3.1 Project Design

3.1.1 Involuntary land acquisition or restrictions on land use under this MoU is limited to the implementation of a FRILIA-compliant project for a period of years.

3.1.2 Where land acquisition or restrictions on land use that will result in physical or economic displacement is inevitable, alternative project designs to avoid or minimize land acquisition or restrictions on land use shall be considered while balancing environmental, social, and financial costs and benefits, and paying particular attention to gender impacts and impacts on the poor and vulnerable.

3.2 Compensation

3.2.1 Compensation standards for categories of land and fixed assets will be disclosed and applied consistently. Compensation rates shall be agreed upon based on a fair value where negotiation strategies are employed. In all cases, a clear basis for the calculation of compensation will be documented, and compensation will be distributed following transparent procedures.

3.2.2 When permanent or temporary land acquisition or restrictions on land use cannot be avoided in the execution of a FRILIA-compliant project, the affected persons or communities will be offered compensation at full replacement cost, and other assistance as may be necessary to help them improve or at least restore their standards of living or livelihood.

3.2.3 Where livelihoods of displaced persons are land-based, including rotational cropping and grazing of livestock as well as the harvesting of natural resources or where land is collectively owned, an offer of replacement of land will be offered to the displaced persons or communities as an option for land replacement unless it can be satisfactorily demonstrated that equivalent replacement of land is unavailable.

3.2.4 Resettlement assistance will be provided in place of compensation for land in the case of affected persons or communities who have no recognizable legal right or claim to the land or assets they occupy or use by providing arrangements to allow them to obtain adequate housing with security of tenure.

3.2.5 People or communities who encroach on the FRILIA-compliant project assigned area after the cut-off/eligibility notice for the compensation has been clearly established and made public will not be compensated. The cut-off/eligibility notice shall be in accordance with the template contained in Schedule 1 of this MoU.

3.3 Physical Displacement

3.3.1 People living in FRILIA assigned projects area will be offered resettlement options.

3.3.2 Affected people or communities who are displaced as a result of the execution of FRILIA-compliant projects will be relocated to alternative sites of equivalent utility to those previously enjoyed, or sites consistent with prevailing minimum standards, whichever set of standards is higher.

3.3.3 There shall not be permanent or temporary removal against the will of individuals, families, and/or communities from the homes and/or land which they occupy without the provision of, and access to, appropriate forms of alternatives.

3.3.4 Compulsory acquisition will not be considered to be forced eviction provided it complies with the Land Use Act, applicable laws of Edo State Government and due process including provision of adequate advance notice, meaningful opportunities to lodge grievances and appeals, and avoidance of the use of force.

3.3.5 As an alternative to displacement, the Edo State Government may consider negotiating land development arrangements by which those to be affected may elect to accept a partial loss of land or localized relocation in return for improvements that will increase the value of their property after development.

3.4 Economic Displacement

3.4.1 Involuntary resettlement of economically affected persons in the implementation of FRILIA-compliant projects will be in accordance with the Resettlement Action Plan Template contained in Schedule 1 and the terms of this MoU.

3.4.2 In the case of projects affecting livelihoods or income generation, affected persons would be allowed to improve or at least restore, their incomes or livelihoods.

3.4.3 Displacements resulting from mutually agreed leases for periods not less than 5 years shall have a land use resumption plan separately provided as part of this Memorandum.

3.4.4 Economically displaced persons who face loss of assets or access to assets during the implementation of a FRILIA-compliant project will be compensated for such loss at Full replacement cost.

3.4.5 In cases where land acquisition or restrictions on land use affect commercial enterprises, affected business owners will be compensated for the cost of identifying a viable alternative location for loss of net income during the period of transition; the cost of the transfer and reinstallation of the plant, machinery, or other equipment; and for re-establishing commercial activities. Affected employees will receive assistance for temporary loss of wages and, if necessary, assistance in identifying alternative employment opportunities for a transition period not below the National Minimum wage/templates.

3.4.6 In cases affecting persons with legal rights or claims to land or assets but have a claim to land or assets that are recognized under the laws of the Federation of Nigeria, replacement property, including agricultural or commercial sites of equal or greater value, will be provided, or, where appropriate, cash compensation at full replacement cost.

3.4.7 Economically displaced persons who are without legally recognizable claims to land will be compensated for the loss of assets other than land such as crops, irrigation infrastructure and other improvements made to the land, at replacement cost.

3.4.8 Economically displaced persons will be provided opportunities to improve, or at least restore, their means of income-earning capacity, production levels, and standards of living.

3.4.9 Economically displaced persons whose livelihoods are land-based, replacement land that has a combination of productive potential, locational advantages, and other factors at least equivalent to that being lost will be offered where feasible.

3.4.10 Economically displaced persons whose livelihoods are natural resource-based measures will be implemented to either allow continued access to affected resources or to provide access to alternative resources with equivalent livelihood-earning potential and accessibility. Where common property resources are affected, benefits and compensation associated with restrictions on natural resource usage may be collective.

3.4.11 Where replacement land or resources are unavailable, economically displaced persons will be offered options for alternative income-earning opportunities, such as credit facilities, skills training, business start-up assistance, employment opportunities, or cash assistance in addition to compensation for assets. Cash assistance alone, however, frequently fails to provide affected persons with the productive means or skills to restore livelihoods.

3.4.12 Transitional support will be provided as necessary to all economically displaced persons, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels, and standards of living.

4. ACQUISITION OF LAND

Possession of acquired land and related assets will only be taken after compensation has been made available and, where applicable, displaced people have been resettled and moving allowances have been provided to the displaced persons in addition to compensation.

5. PLANNING AND IMPLEMENTATION

Where land acquisition or restrictions on land use are inevitable, as part of the environmental and social assessment, a census will be conducted to identify the persons who will be affected by the project, to establish an inventory of land and assets to be affected, to determine who will be eligible for compensation and assistance, and to discourage ineligible persons, such as opportunistic settlers, from claiming benefits.

6. COMPENSATION ELIGIBILITY

In land acquisition or restrictions on land use in the implementation of a FRILIA-compliant project, the following persons will be eligible for compensation.

- a) Affected people who have formal legal rights to land or assets.
- b) Affected people who do not have formal legal rights to land or assets but have a claim to land or assets that are recognized or recognizable under the laws of the Federation of Nigeria.
- c) Affected people who have no recognizable legal right or claim to the land or assets they occupy or use.
- d) Shared land users/owners with any form of land rights.

7. PRESERVATION OF COMPENSATION

1) Where there are instances of significant difficulties related to the payment of compensation to particular affected persons or communities like where repeated efforts to contact absentee owners have failed, where project-affected persons have rejected compensation that has been offered to them in accordance with the approved plan, or where competing claims to the ownership of lands or assets are subject to lengthy legal proceedings after all reasonable efforts to resolving such matters have been taken, in prior agreement Edo State Government may deposit compensation funds as required by the plan in addition with a reasonable additional amount for contingencies into an interest-bearing escrow or another deposit account in any financial institution in Nigeria and proceed with the FRILIA-compliant project activities.

2) Compensation placed in escrow should be made available to eligible persons promptly as issues are resolved through a Grievance Redress Mechanism to be established as part of the project implementation plan.

3) All grievances relating to the quantum of cash compensation shall be resolved through the GRM. Where this fails, all other grievances shall be resolved through the Land Use Allocation Committee of Edo State Government established by the provisions of the Land Use Act, 1978.

8. GRIEVANCE REDRESS MECHANISM

1) In the event of any dispute arising out of this MoU, the matter shall first be referred to the FRILIA GRM Uptake points at the Land Management Unit of the Ministry of Agriculture, the host community or any other uptake points in the state. This shall be reviewed and passed to the CDA or the FRILIA GRC, as the case may require. The CDA or GRC shall attempt to resolve all disputes amicably between aggrieved parties.

2) If parties are not satisfied with the resolution of the FRILIA GRC, unresolved grievance shall be escalated to the Grievance Appeal Committee or to the Edo State Government Ministry of Justice for Alternative Dispute Resolution (ADR), and if ADR fails, parties shall resort to litigation.

9. APPLICABLE LAW

This MoU shall be governed by and interpreted under the Laws of the Federal Republic of Nigeria and all the relevant laws of Edo State Government.

10. AMENDMENTS

This Memorandum of Understanding shall constitute the total and full understanding of the parties, and no addition or alteration may be made to this agreement without the consent of both parties first had and obtained.

11. NATURE, TERMINATION AND DURATION

(1) Each Party acknowledges that this MoU is intended to be an expression of mutual intent and understanding between the Parties. Accordingly, this MoU may be terminated at any time by any Party hereto by giving written notice of such termination to the other Parties. In the event that this MoU is not so terminated, the term of this MoU shall be for a period of 2 years with effect from the effective date.

(2) The parties agreed to honour this Memorandum of Understanding and voluntarily agreed to append their signatures.

12. OBLIGATION OF PARTIES

To ensure compliance with all the FRILLIA principles on Land Acquisition and Resettlement and the terms of this MoU.

IN WITNESS THEREOF, the Parties hereto have set their hands and seal in the manner below, the day and year first above written and the public seal of the Edo State Government is hereby affixed in the presence of the approved representatives of Edo State Government.

Name of Edo State Government Representative:

Designation:

Signature:

SIGNED, SEALED AND DELIVERED by the within-named representative of the Affected Community.

[Name of Representative].

Designation:

Signature:

[Name of Representative]

Designation:

Signature:

IN THE PRESENCE OF:

NAME: _____

ADDRESS: _____

OCCUPATION: _____

ILLITERATE JURAT FOR THE PERSONS INTERESTED

The content of this Memorandum of Understanding was read over and interpreted to the persons interested from English Language to ----- Language who seem to have understood the same before appending their signatures thereto.

Name of Interpreter: -----

Signature: -----

Occupation: -----

Address: -----

SCHEDULE 1

1. Cut-off/Eligibility Notice <INSERT>

2. Resettlement Action Plan Template <INSERT>

3. Grievance Redress Mechanism Template <INSERT>

REFERENCES

1. UNIDROIT/IFAD 2021. Legal Guide on Agricultural Land Investment Contracts (<https://www.unidroit.org/wpcontent/uploads/2021/09/ALICGuidewebsite.pdf>)

2. Is This Really Benefit Sharing? Understanding Current Practices Around Community- Investor Agreements Tied to Land Investments. Paper prepared for presentation at the “2017 WORLD BANK CONFERENCE ON LAND AND POVERTY” The World Bank – Washington DC, March 20-24, 2017 ([https://ccsi.columbia.edu/sites/default/files/content/docs/Is-This-Really-Benefit-Sharing-Understanding-Current-Practices-Around-Community-Investor-Agreements-Tied-to-Land-Investments%20\(1\).pdf](https://ccsi.columbia.edu/sites/default/files/content/docs/Is-This-Really-Benefit-Sharing-Understanding-Current-Practices-Around-Community-Investor-Agreements-Tied-to-Land-Investments%20(1).pdf))

3. Land deals in Africa: What is in the contracts? (<https://www.jstor.org/stable/pdf/resrep18062.1.pdf>)

4. Understanding the host community aspects of the Nigerian Petroleum Industry Act (PIA) & its GMoU nexus (<https://digitalmallblobstorage.blob.core.windows.net/wp-content/2022/09/Understanding-the-GMoU-model59-HG.pdf>)

5. INVESTMENT CONTRACTS FOR AGRICULTURE: Maximizing Gains and Minimizing Risks (<https://www.iisd.org/system/files/publications/world-bank-agri-investment-contracts-web.pdf>)