

Memorandum of Understanding

What is a Memorandum of Understanding and when to use one?

Introduction

A Memorandum of Understanding (MoU) is a formal written document that outlines the terms, principles, and intentions of an agreement or partnership between two or more organisations.

While an MoU is not a legally binding contract, it serves as a clear statement of intent and understanding between the parties involved. It lays the groundwork for collaboration and cooperation by defining the roles, responsibilities, and expectations of each organisation.

When to use an MoU

Partnerships: When two or more organisations want to collaborate on a specific project, initiative, or event, an MoU can clarify the terms of the partnership, roles, and responsibilities.

Resource Sharing: When organisations intend to share resources, expertise, or facilities, an MoU can outline how the resources will be shared and managed.

Joint Initiatives: When organisations are joining forces to address a common goal, such as advocacy efforts, research projects, or community development, an MoU can formalise the collaboration.

Networking: In the context of networks or associations, an MoU can define how

members will work together and what benefits they can expect from the network.

Exploratory Projects: In cases where organisations are considering a more formal agreement but want to establish a foundation for collaboration first, an MoU can serve as a starting point.

Key aspects of MoU

Background: Explain the problem, issue, or opportunity that the partnership will help to improve. Much like a vision statement. Parties Involved: Identify the organisations or parties entering into the agreement. It may also

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Key aspects of MoU

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include a brief description of each organisation's purpose or mission.

Objectives: Outline the goals, objectives, or specific projects that the parties intend to collaborate on. It clarifies the purpose of the partnership and what the organisations aim to achieve together.

Roles and Responsibilities: Define the roles, responsibilities, and contributions of each party. Outline who will do what, what resources will be provided, and how the collaboration will be managed. Think about the appointment of members of staff and/or trustees to lead on the work of the partnership. This may be a person or an equal number of representatives from each organisation. Voting shouldn't be unequal. This could also sit under parties involved.

Duration: Specify the duration of the agreement, including a start date and an end date or conditions under which the agreement can be terminated. Consider possible agreement reviews.

Confidentiality: If necessary, include clauses related to the confidentiality of information shared between the parties during the collaboration.

Dispute Resolution: Outline the procedures for resolving disputes or disagreements that may arise during the partnership.

Financial Contributions: Some may choose to set up funds to ensure that the activities are fully covered, at the beginning this may be consultation works, consultants etc. Detail financial contributions to be made, and where the fund will sit and how it will be managed.

Signatures: The MoU is typically signed by authorised representatives of each organisation, indicating their agreement to the terms outlined in the document.

Disclaimer: A MoU is not a legally binding document; it is a statement, agreed by equal partners. It does not constitute the creation of a legal entity or give anyone within the partnership the authority to make binding commitments on its behalf.

Summary

A MoU helps create transparency, alignment, and a shared understanding between organisations entering into a partnership or collaboration. While it may not be legally binding, it carries the weight of goodwill and mutual commitment, providing a framework for cooperation