

MEMORANDUM OF UNDERSTANDING BETWEEN
TWaweZA EAST AFRICA
AND
USAWA AGENDA

1. Background

For the last 10 years, Twaweza East Africa has implemented programs in two main domains: education and governance. In 2018, the management and governance structures of Twaweza and in consultation with our critical friends, went through a process of internal reflection. This reflection was instigated by the changes in our environment that were causing programmatic tensions and the need to refocus limited resources to optimize impact. This process yielded the need to separate our education and governance work, culminating into the new 2019 – 2022 strategy that focuses on governance and civic space and a detailed plan to transition education activities into independent entities. Both were approved by the Board during its regular meeting of September 21, 2018.

Given its substantive programmatic and resource weight in Twaweza, significant bandwidth has been invested in examining and analysing options for a responsible transition for Uwezo – the main education program. We engaged the services of a management consulting firm, Deloitte, to help structure the options analysis and risk assessment for each option, assess Twaweza's overall change readiness through a comprehensive series of staff surveys and discussions, and to structure a stakeholder engagement and communication plan to convey a confident, consistent message to partners and the public about the change.

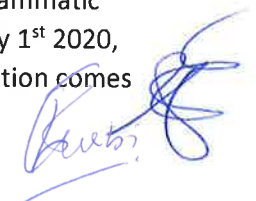
Following a careful review of the Deloitte analysis, and enhanced by robust senior management deliberations about the risk profile of all options for Uwezo and for Twaweza, the consensus view was arrived at that Uwezo be spun off into three independent and autonomous country entities separately registered in Kenya, Uganda and Tanzania..

The autonomous country offices carried the lowest risk profile of all the options that were considered:

- a) Each country operation would start within existing funding;
- b) They could potentially be funded from the outset;
- c) Each country operation had a strong Uwezo Advisory Committee who could constitute the founding governance boards;
- d) Each country operation would tailor its approach and activity portfolio to the specific country context.

Overall, independent country offices, with activities customised to each context, acknowledges their different trajectories and allows for each to chart a relevant, context-specific course forward. It also allows for new country-specific partnerships to develop.

It is against this background that Usawa Agenda was born in Kenya. The registration of Usawa as a not-for-profit company (company limited by guarantee) was the second in a three-phase transition process. Phase I which came into effect in January 2019 marked the beginning of programmatic separation between Twaweza and Uwezo in Kenya. Phase II came into effect on January 1st 2020, marking legal and fiduciary separation. The final phase, which will mark physical separation comes into effect on January 1st 2021.



This MOU articulates the nature of the new relationship between Twaweza and Usawa Agenda, which was broadly highlighted in the transition plan. The aim is to outline some principles that will guide the relationship, and clarify Twaweza's specific roles and responsibilities with respect to enterprise management services support, financing and advisory services as well as Usawa's responsibilities.

2. Twaweza's General Responsibilities

Twaweza East Africa undertakes:

- a. To honour, promote and protect the autonomy and independence of Usawa Agenda.
- b. To carry out a diligent transfer of relevant tangible and intangible assets and capabilities to Usawa Agenda
- c. To support Usawa Agenda to establish strong operating, management and accountability capabilities and systems

3. Usawa Agenda General Responsibilities

Usawa Agenda undertakes:

- a. To honour, promote and protect the founding vision, mission and goals that established Twaweza in 2009 and the Uwezo initiative that emerged from it.
- b. To proudly carry and leverage the decade-long acclaimed reputation and solid track record of the Uwezo initiative of Twaweza from which it has emerged.
- c. To protect the Uwezo brand and what it stands for including transparency, inclusion, integrity and action.
- d. To establish, grow and strengthen the institutional framework for Usawa Agenda
- e. To steward all relevant tangible and intangible assets and capabilities in a transparent, diligent and accountable manner. All asset transfers will be properly documented for accounting and accountability purposes.

4. Twaweza's Specific Responsibilities

a. Services Support

- i. Support the physical and virtual transition and migration process (such as procuring moving and related services)
- ii. Provide office accommodation and related utility and security costs
- iii. Provide lunch for Usawa Agenda staff
- iv. Provide back office management systems including Salesforce, Xero, Aruti, GoogleSuite, PlanMyLeave, and others for 8 months in 2020.
- v. Make necessary advance payments to service providers (e.g., Health Insurance) to be reimbursed as appropriate at an agreed later date.
- vi. Support access to change management training delivered as part of the Deloitte change management assignment.

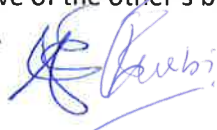


b. Financing and fundraising

- i. Twaweza will provide US\$ 50,000 from its audited balance sheet reserves for Usawa Agenda.
- ii. Up to a total of an additional \$100,000 could be made available upon application from Usawa Agenda to Twaweza for review and approval.
- iii. The cash and economic costs of systems, accommodation (space and related utilities) and advisory support will be estimated and agreed with Usawa Agenda by April 30, 2020
- iv. Following agreement of the costs, Twaweza will meet the following costs until December 31, 2020:
 - Office accommodation and related utility, communications and security costs
 - Daily lunch for relevant staff;
 - Costs of front and back office enterprise and financial management software and hardware systems.

c. Advisory and oversight

- a. Twaweza will play a non-executive advisory role to enable the Members, Board and management of Usawa Agenda have a better sense of progress made with regard to governance, general management, and financial and HR management; whether systems and practices are becoming sufficiently robust; identify areas that need technical or systems support.
- b. Consultations - Twaweza and Usawa Agenda may agree a regular schedule of information exchange and consultations to support the advisory dialogue. These will include modalities of access to data (financial and operational), reports and systems and onsite visits by Twaweza staff.
- c. Liability – When consulted, Twaweza will exercise its advisory role with due diligence and professionalism. That said, Twaweza will not be responsible for the consequences of any loss or liability that may be incurred as a result of Usawa Agenda's action.
- d. Confidentiality - Twaweza shall keep all confidential material as such, and not divulge to its staff not involved in the oversight, or third parties, any information it gains by virtue of its advisory activities, except for those cases where Twaweza needs to disclose such information as a result of legal or statutory requirements.
- e. Fundraising Support – Twaweza shall support the fundraising efforts of Usawa Agenda by providing relevant track record of experience and execution and providing testimony of the same to relevant interested parties.
- f. Brand protection – Twaweza and Usawa will promote and protect the good reputation of the other, and avoid any risk of damaging that reputation by any action or omission. Both parties will work, as appropriate to promote and be supportive of the other's brand through emerging opportunities and engagement as relevant.



Signed by:

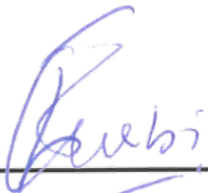


Aidan Eyakuze
Executive Director,
Twaweza East Africa

07.04.2020

Date





Emmanuel Manyasa
Executive Director,
USAWA AGENDA

09-04-2020

Date

