Memorandum of Understanding

Development Consortium ("Fortify Health" - FH)

And

_________ ("Milling Partner"- MP)

Article 1: Overview

Over half of women and children are anaemic nationally, impacting wellbeing, cognitive development and economic opportunity. Furthermore, one lakh Indian children are born each year with neural tube defects, which are physically and mentally impairing and largely preventable.

I. Objectives of this MOU

A) To scale up wheat flour (atta) fortification with iron, folic acid and vitamin B12 by supporting manufacturers in fortifying their atta without raising consumer prices

B) To reduce the incidences of anaemia and neural tube defects in India

C) To specify the terms of engagement between Development Consortium’s Fortify Health project here in after called as (FH) and _______ (MP).

II. Background on fortification and Fortify Health

A) Fortification is defined as adding small levels of micronutrients to staple foods such as flour. It has been proven to have a tremendous impact on preventing anaemia, neural tube defects, and other illnesses. Fortification is a particularly cost-effective and scalable component of a set of complementary strategies to address anaemia and birth defects, including dietary diversification, supplementation, poverty alleviation, education, and deworming. In 85 countries, wheat flour fortification is mandatory, yet India’s fortification coverage is minimal despite urging from the Government of India. We see fortification as an incomplete but highly impactful step towards improving the health of crores of women and children.

B) The project “Fortify Health” was awarded a GiveWell Incubation Grant to build the foundation to scale up flour fortification on the open market and support government initiatives to expand fortification efforts in India.

C) Development Consortium is one of several collaborators on the project "Fortify Health" and is the legal entity represented in this document to carry out the project “Fortify Health” and will be herein after referred to as FH.

D) Atta fortification is already supported by the Food Safety Standards Authority of India (FSSAI) and the National Nutrition Mission, and guidance has been issued by the Government of India to the states for implementation of fortification in the Midday Meal Scheme, Integrated Child Development Scheme, and the Public Distribution System.
Article 2: Implementation of objectives

I. Provision of equipment
   A. FH will provide the milling partner (MP) with a microdoser that can appropriately facilitate the addition of micronutrients to atta. If additional equipment is necessary, this will be discussed on a case-by-case basis.
   B. FH will provide for reasonable costs associated with the delivery, installation of this equipment by vendors / parties appointed by FH. If the miller would like to use his/her own installation services, FH will consider this and make a decision whether to pay for this installation based on price and quality as per FH standards, including any requested documentation.
   C. This equipment will be provided to you by FH and will be possessed by the MP subject to the following:
      1. if this contract is terminated before 12 months of signing, the MP will transfer ownership of the property to a party that FH will select. The MP will transfer the equipment in the same condition as it was provided to them by FH. All costs for such removal to transfer the equipment will be borne by FH.
      2. If this contract is not terminated within 12 months of signing, FH makes no claim to the equipment until the end of the term of this agreement.
   D. During the first 6-month period or until the transfer of possession of the equipment, any breakdown of the equipment shall be attended by FH while general maintenance such as cleaning or servicing shall be undertaken by the MP.
   E. Installation of the equipment will be jointly coordinated by FH, MP, and the vendor. MP will ensure the conditions of installation of the equipment as per the vendor is fulfilled for (e.g. space etc.).

II. Provision of premix
   A. FH will tender and purchase the premix from an appropriate vendor who shall strictly adhere to the norms and laws set up in the provisions of FSSAI and also adhere to commonly accepted practices of handling premix in terms of safety and hygiene.
   B. The amount of premix procured shall correspond to agreed upon atta production volume.
   C. At no point during this MOU’s validity will the MP be required to purchase premix on their own or from any other agency; all necessary premix to fortify atta at predetermined volumes will be provided by FH.

III. Technical guidelines
   A. Technical guidelines on fortification will be provided to the MP by FH including standard operating procedures for appropriate fortification.
   B. MP should adhere to these guidelines unless a variance is agreed to be necessary and will be in writing via e-mail or letter.
Article 3: Overview of responsibilities

I. Obligations of Fortify Health
   A. FH shall provide MP with microfeeder equipment and premix as specified in Article 2.
   B. FH will provide technical guidelines to MP as specified in Article 2.
   C. FH shall appoint a field operations manager for the period of first month to establish processes of fortification, monitoring and evaluation, and to train the mill staff, preparing an operations manual specific to the set up of the MP’s mill.
   D. FH will provide scientific guidance in consultation with its expert advisory panel on appropriate marketing strategies and health claims.
   E. FH shall provide scientifically based guidance to the sales team of the MP about the health benefits of fortification.
   F. FH will invite MP to apply for an awareness grant of up to Rs. 10,000 (Rupees Ten Thousand Only) to promote health benefits of fortification.

II. Obligations of Milling Partner
   A. MP will fortify atta and label products according to the guidelines set out by FSSAI.
   B. Preliminary batches of fortified atta can be milled prior to introduction of full-scale fortification across all atta produced. The MP and FH can propose timeline and checkpoints for production volume. The ultimate goal is to scale up, fortifying all the MP’s atta once the MP is confident in the quality and sales of any preliminary batches.
   C. MP will provide FH data on monthly sales volume and price prior to and during fortification.
   D. MP sales team will collaborate with FH staff to conduct initial household surveys to understand consumer preference and perception with regard to fortified wheat flour.

Article 4: Review of partnership

I. The partnership will be for the initial period of six months starting from the _______. This partnership will continue through this period subject to the availability of the funding.
   II. The success of this partnership will be periodically reviewed.
   III. Four months following the signing of this MOU, the partnership will be reviewed and evaluated by FH on the basis of the terms included in this document.
   IV. At that point, expectations for a continued partnership will be established to renew or replace this MOU by the date corresponding to six months following signing of this MOU. Based on the evaluation after the first 4 months, the partnership will be:
      A. Continued if the evaluation is successful and FH is satisfied with the MP’s work in the period of the MOU, and FH has sufficient funding to continue support.
      B. Terminated as referenced under any point in Article 5.

Article 5: Terms of termination of the MOU

I. This MOU is considered valid for twelve months following signing unless otherwise renewed or replaced.
II. FH reserves the right to cease the provision of premix at any point after a period of 60 days following notice of the same.

III. This MOU can be terminated by FH at any time if the terms included in this document are violated or if dissolution is for any reason legally mandated.

IV. In case FH lacks funding for this contract, this MOU will cease and will be terminated by giving 15 days’ notice to the miller partner. The possession of the equipment will be transferred to the MP based on mutual agreement at the time of termination.

V. Any kind of termination of the partnership between FH and MP would ensure that premix is provided for 60 days following written notice of such termination, or the end of the six-month period preceding partnership review, whichever comes first.

VI. If this MOU is terminated within 12 months from signing, MP will be required to transfer ownership of equipment to another party of FH’s choosing, if requested by FH, in which case it would be removed at FH’s expense within 30 days. Beyond 12 months of MOU signing, MP will have the ownership of this equipment and will be responsible for managing and maintaining the equipment.

Article 6: Implementation

I. Proper storage of Premix

A. FH is satisfied with the appropriate storage and use of the premix. The premix has to be stored in a cool, dry and clean place away from direct sunlight.

B. Premix should be stored at a temperature not more than 25°C.

C. Follow “first-in, first-out system.” To be precise, use the premix that have arrived first, first. The newest packages of premix samples must be stocked and used only after the previous ones have been used. MP must maintain a stock in and out register with the dates.

D. Avoid direct touch, inhalation, and direct consumption of premix.

E. Fortified wheat flour must be stored under dry, ventilated and hygienic conditions.

F. Micronutrient premix must be stored in an adequately provisioned space free from excess heat and moisture.

G. Preblend must be formulated with fresh (previously unopened packages of) premix and atta (commonly at a ratio of 4 parts atta : 1 part premix)

H. Preblend must be mixed (by the provided microfeeder, properly calibrated) at an appropriate ratio (commonly 1 part preblend : 400 parts atta)

II. Proper maintenance and usage of microfeeder machine

A. Check the equipment and containers to ensure that they are not damaged, corroded, rusted, or broken, to avoid metal particles chipping off and entering the product stream.

B. Always cover the open end of the vessel containing premix with a proper cover/fitting lid to protect it from dust, dirt and flies and other insects as well as air.

C. The microfeeder must be appropriately calibrated and set to the correct addition ratio appropriate to the atta production rate of the particular batch.

D. Any atta that will be labeled as fortified must be truly fortified at the appropriate dose.

E. The microfeeder must stop addition of preblend in the case that atta production stops or the rate of production changes.

F. The microfeeder must not run out of preblend during atta production. Such depletion of preblend should be prevented with appropriate planning for the batch size and an alarm
shall sound in the case that preblend is depleted. Atta production should stop in the case that preblend is prematurely depleted.

IV. Compliance with packaging and dosing norms of fortified food as per FSSAI

A. Fortification must be carried out in compliance with the standards set out by FSSAI, available here [https://ffrc.fssai.gov.in/ffrc/consolidated_standard] and provided in printed form to the MP by FH.

B. Inclusion of +F logo and the mandatory statement as per FSSAI specifications, including the statements:
   1. Fortified with Iron, Folic Acid, and Vitamin B12
   2. Not recommended for people with Thalassemia and people on low iron diet

C. Standards specific to wheat flour fortification issued by FSSAI can be found at this URL: ffrc.fssai.gov.in/ffrc/wheat standards.

V. Monitoring

A. Monitoring will serve to:
   1. Inform necessary process improvements without punitive measures.
   2. Contribute to regular review of whether fortification is successfully underway, and whether partnership should be dissolved or continue.

B. In-mill monitoring will require the following:
   1. FH will work with MP to facilitate appropriate installation and calibration of equipment
   2. FH may use sensors, logs and/or in person observation to record adequate operation of fortification equipment such as:
      a) Appropriate dose of added preblend or premix.
      b) Continuous addition of preblend during atta production meant to be fortified.
      c) Adjustment of premix addition when atta production rate has changed or stopped.
      d) Proper storage of premix.
      e) Amount of fortified atta produced

3. MP will be required to maintain a continuous operating log, with a new entry per batch of atta produced, and report the following information weekly and upon request:
   a) Timestamp (date)
   b) Batch number
   c) Batch size
   d) Production rate of atta (MT/hr)
   e) Quantity of premix and atta used to form preblend (g)
   f) Quantity of preblend consumed in batch
   g) Rate of addition
   h) Microfeeder settings
      (1) RPM of microfeeder
      (2) Timestamp of preblend refill
      (3) Report of any discontinuity
i) Premix stock remaining

4. MP and FH will implement visual inspection and rapid tests (provided by FH) for qualitative assessment of the addition of iron

5. MP will report monthly totals for:
   a) Total amount of atta production
   b) Amount of fortified atta produced
   c) Results of any iron spot tests performed
   d) Premix stock consumed
   e) Premix stock remaining

6. MP will provide a sample of fortified atta upon request and send it to an accredited laboratory selected by FH for testing at FH’s expense. The test results of the sample should show appropriate content of micronutrients.

VI. Monitoring under FH domain

A. Appointing a monitoring field operations manager in the mill for a span of 1 month to oversee the implementation of the fortification process and to teach the milling staff.

B. FH technical officers may perform spot tests to detect the presence of iron in fortified flour.

C. Quantitative assessment in (accredited laboratory selected by FH) of micronutrient dosing in market ready products (costs provided by FH)
   1. Testing of samples provided by MP on a monthly basis, at the request of MP
   2. Testing of samples procured at FH discretion from the market. Costs for the lab tests shall be incurred by FH.

VII. Intention against the creation of premium products

A. FH intends to support the MP in offering a healthier, fortified product appealing to the most consumers, not only those customers purchasing the most expensive, low-selling products.

B. A premium product is defined here as any product whose price is higher than the price of the atta with the largest sales volume sold by the particular MP.

C. FH will support MP adoption of fortification on the grounds that this support is not used to create a premium product sold at an additional price above the non-premium products sold by the MP.

D. MP will use the premix provided by FH first to fortify its atta that is lowest priced and its atta product that has the highest sales volume before fortifying any premium products with premix provided by FH.
For Development Consortium

______________________________
Date:________________________

Anamika Srivastava
Chief Functionary

I ______________________, accept that all the terms and conditions specified in the MOU have been read by me and agreed.

______________________________
Date:________________________

For (Miller Partner) (Name and Signature)