



MEMORANDUM OF UNDERSTANDING
Between
United States Department of Agriculture
AND
The Innovation Center for U.S. Dairy

I. PARTIES

The parties to this Memorandum of Understanding (the “MOU”) are the United States Department of Agriculture (“USDA”) and The Innovation Center for U.S. Dairy (the “Innovation Center”), hereafter referred to as “the Parties”.

II. PURPOSE

The purpose of this MOU is to maintain a relationship between USDA and the Innovation Center and to reflect the commitment of the Parties to take steps aimed to create a sustainable future for the dairy industry.

The United States Dairy Sustainability Initiative was launched in 2008 by Dairy Management Inc.–together with the National Milk Producers Federation and the International Dairy Foods Association—to accelerate innovation and build public trust in the industry’s commitment to providing consumers with the nutritious products they want in a way that is economically viable, environmentally sound, and socially responsible. Through the Innovation Center, leaders from approximately 80 percent of the dairy supply chain—including dairy farmers, cooperatives and associations, processors, manufacturers, and brands—have endorsed this commitment. Their first priority is the reduction of greenhouse gas emissions, and in 2009 they established a goal and Roadmap for the entire value chain to reduce greenhouse gas emissions by 25 percent by the year 2020. Joining the industry are national and international experts from academic, government, scientific, and nongovernmental organizations.

III. RESPONSIBILITIES

A. In so far as is practicable, and in accordance with its statutory and regulatory authorities, USDA will work toward the following goals:

1. Assist the Innovation Center’s work toward the goal of reducing the U.S. dairy industry’s greenhouse gas emissions by 25 percent by the year 2020.

2. Develop a “roadmap for biogas” patterned after USDA’s biofuels roadmap.
3. Accelerate and streamline the process for adopting anaerobic digesters and other innovative manure management technologies by U.S. dairy farm operators through various USDA programs.
 - Work to improve the financial feasibility of anaerobic digesters and other greenhouse gas mitigating technologies.
 - Improve any financial feasibility studies utilized under the Rural Energy for America program for anaerobic digesters and other innovative technologies, where appropriate.
 - Assess challenges dairy producers face in connecting viable anaerobic digesters and other manure to energy technologies to electricity grids. Facilitate an Inter-Departmental and Intergovernmental dialogue to help address and mitigate these challenges.
 - Continue to work to reduce the time needed to bring large capital improvement projects such as anaerobic digesters into full operation.
4. Facilitate adoption of energy saving technologies by U.S. dairy farm operators through various USDA programs. Support the promotion and implementation of energy audits and implementation of energy efficiency measures within the dairy industry.
5. Facilitate technology adoption that will improve dairy industry sustainability and assist in greenhouse gas mitigation by U.S. dairy farm operators through various USDA programs.
 - Improve dairy producers’ participation in USDA programs. Work within existing program authorities to improve methods for simplifying and integrating program applications for anaerobic digester, sustainability improvement, and greenhouse gas reducing projects across mission areas.
 - Promote sustainability improvement and greenhouse gas reducing technologies for dairies within the Environmental Quality Incentives Program. Within program implementation flexibilities, develop guidance for USDA’s Natural Resources Conservation Service (NRCS) State Conservationists to offer enhanced payment rates for anaerobic digesters or other innovative manure management technologies and practices, and/or nutrient management practices needed to deliver animal waste nutrients to anaerobic digesters or other innovative manure handling technologies pending construction through an approved USDA program contract.
 - Examine opportunities to provide Conservation Innovation Grants program support for sustainability improvement and greenhouse gas reduction projects. Include opportunities for program applications initiated by cooperatives, collective actions by multiple dairy farmers, and partnerships between private farmers (e.g. community digesters) and state and local governments for the

development, operation, and maintenance of sustainability improvement and greenhouse gas reduction projects such as anaerobic digesters to the extent that program statutory authority allows.

6. Encourage the adoption and technology transfer of new and existing manure management strategies.
 7. Develop tools for the dairy industry that leverage science, best practices research, and that build on the existing lifecycle assessment infrastructure for the dairy industry, and Farm Smart.
 8. Co-host a nationwide workshop for researchers to disseminate information and coordinate research efforts that will foster dairy sustainability.
 9. Co-host a nationwide multi-stakeholder meeting that will bring together the entire value chain to identify and create opportunities for the dairy industry to reduce environmental impacts while creating business and social value.
 10. Create a national repository of open source lifecycle assessment data accessible via the USDA National Agricultural Library.
 11. Accelerate technology transfer from the Agricultural Research Service, the National Institute of Food and Agriculture, the Economic Research Service, the Environmental Protection Agency, and NRCS on best practices and latest science that enable development of computer-based tools for producers to assess measure, find resources, and implement practices for sustainable improvements of farms.
 12. Develop and maintain a liaison relationship with Dairy Management Inc and the Innovation Center to support the Dairy 2020 Roadmap and the Sustainability Council's Commitment to Sustainability through participation from Rural Development, NRCS, and USDA research agencies in the Sustainability Council and other relevant meetings.
- B. In so far as is practicable, the Innovation Center will:
1. Utilize its Member organizations to partner with USDA in communicating opportunities to producers.
 2. Partner with USDA to enhance communications and outreach to dairy producers— Initiate an improved marketing and outreach effort regarding program opportunities and assistance available for programs, practices, and projects that will result in the reduction of greenhouse gas emissions. In addition, promote farmer to farmer communications, sharing success stories and organizing tours of successful greenhouse gas reduction projects on U.S. dairies.
 3. Cooperate as appropriate with the initiatives included under this Section III.

4. Provide subject matter expertise for collaboration, stakeholder engagement, and summit planning.

IV. GENERAL TERMS

- A. This MOU is not a financial or funding document. It does not impose any financial commitments on either Party. Each Party will direct, manage, and finance its own participation under the terms of this MOU.
- B. Nothing in this MOU shall obligate either Party to obligate or transfer any funds. Specific work or projects that involve the transfer of funds, services, or property among the Parties will require execution of separate agreements and be contingent upon the availability of appropriated funds. Such activities must be independently authorized by appropriate statutory authority. Negotiation, execution, and administration of each such agreement must comply with all applicable statutes and regulations.

V. TERM OF MOU AND RIGHT OF TERMINATION

This MOU is effective on the last date affixed to the signature of the parties. Either Party may terminate this MOU by providing 30 days notice, in writing, to the other Party. This MOU shall expire 3 years from the effective date of signature by all Parties and may be, by written mutual agreement, extended for an additional term as deemed appropriate.

VI. THIRD PARTY BENEFICIARY STATUS

This MOU is not intended to, and does not create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity, by any party against the United States, its agencies, its officers, or any person.

VII. NON-ENDORSEMENT CLAUSE

The presence of the name or logo of the Innovation Center does not constitute an endorsement of the Innovation Center by USDA or vice versa.

VIII. SIGNATORY AUTHORITY FOR MODIFICATION

Any modification to this MOU must be made in writing executed by an authorized representative of each Party.

IX. AUTHORITY

The USDA's authority for entering into this MOU is the National Agriculture Research, Extension, and Teaching Policy Act of 1977, Pub. L. 95-113, Sec. 1402, et seq., 7 U.S.C. Sec. 3101, et seq.

