



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 (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 to create a sustainable future for the dairy industry.

The Innovation Center for U.S. Dairy was launched in 2008 by Dairy Management Inc.—in partnership 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 provide 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.

III. RESPONSIBILITIES

- A. In so far as practicable, and in accordance with its statutory and regulatory authorities, USDA will partner with the Innovation Center to assist the Innovation Center in working toward the goal of reducing the environmental impact of the U.S. dairy industry. The Parties will work toward a number of goals, including such things as the dairy industry greenhouse gas emission reduction of 25 percent by the year 2020 from a 2007 baseline through working toward the following goals:

1. Align USDA programs to encourage the adoption of technologies and practices that improve dairy industry sustainability and assist in addressing environmental limitations of U.S. dairy farm operators.
 - a. Work within existing program authorities to improve methods for simplifying and integrating program applications for resource recovery, sustainability improvement, soil health management and greenhouse gas reduction projects across the Department's Mission Areas.
 - b. Accelerate and streamline the process for adoption of anaerobic digesters, resource recovery, and other innovative manure management technologies by U.S. dairy farm operators through various USDA programs.
 - i. Work to improve the financial feasibility of anaerobic digesters, resource recovery, and other greenhouse gas mitigating technologies.
 - ii. Assess challenges dairy producers face in connecting viable anaerobic digesters and other manure-to-energy technologies to electricity grids. Facilitate Inter-Departmental and Intergovernmental and State-led actions to address and mitigate these challenges.
 - iii. Continue to work to reduce the time needed to bring large capital improvement projects such as anaerobic digesters and resource recovery into full operation.
 - c. Consider a set-aside or initiative within NRCS programs for resource recovery technologies.
 - d. Promote sustainability improvement and greenhouse gas reduction technologies for dairies within the NRCS programs. Examine ways to collaborate on the science and cost effectiveness of resource recovery technologies and practices that are eligible for NRCS programs.
 - e. Facilitate the adoption of technologies that integrate manure and livestock waste management into soil health management systems.
 - f. Examine opportunities to provide Conservation Innovation Grants program support for sustainability improvement, comprehensive nutrient management plans ("CNMP"), resource recovery, soil health management systems with manure and greenhouse gas reduction projects building from past efforts. Include opportunities for program applications initiated by cooperatives, collective actions by multiple dairy farmers, and partnerships between private farmers (e.g. community digesters), NGO's, and state and local governments for the development, operation, and maintenance of sustainability improvement and greenhouse gas emission reduction projects such as anaerobic digesters to the extent that program statutory authority allows.
 - g. 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.
 - h. Continue to implement the Biogas Opportunities Roadmap.

2. Encourage research, data, and technology transfer that advances the development and adoption of new and innovative technologies in the dairy industry.
 - a. 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.
 - b. Collaborate on opportunities to harmonize data and metrics, including greenhouse gas accounting, soil health improvement and feed production sustainability, between research and implementation agencies to better facilitate sustainability efforts.
 - c. Explore and where possible pursue opportunities to collaborate on data collection in support of supply chain sustainability reporting.
 - d. Develop tools for the dairy industry that leverage science and best practices research, that build on the existing lifecycle assessment infrastructure, including, but not limited to, Farm Environmental Stewardship, COMET Farm, and COMET Planner.
 - e. Continue to host a national repository of open source lifecycle assessment data accessible via the USDA National Agricultural Library.
 - f. Participate in a nationwide workshop for researchers to disseminate information and coordinate research efforts that will foster dairy sustainability.
 - g. Support a nationwide multi-stakeholder meeting that will bring together the entire value chain to identify and create opportunities for the dairy and other animal industries to reduce environmental impacts while creating business and social value.
 - h. Continue to collaborate on the development of a virtual resource center for food loss and waste.
 - i. Examine opportunities to collaborate on research and programs designed to refine and clarify the emerging metrics on social and economic sustainability.
3. Maintain a point of contact with Dairy Management Inc. and the Innovation Center to support the work of the Dairy Sustainability Alliance through participation from Rural Development, NRCS, and USDA research agencies in the Dairy Sustainability Forum, U.S. Dairy Sustainability awards and other relevant programs.

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 and educating supply chain partners on U.S. agricultural practices.
2. Partner with USDA to enhance communications and outreach to dairy producers to improve their participation in USDA programs. 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 sustainability efforts on U.S. dairies, consistent with the USDA programs.

3. Coordinate and, where appropriate, co-invest in opportunities to enhance the participation of dairies in USDA conservation programs and initiatives and removing barriers to such participation. Efforts could include recruiting participants and supporting the development of proposals and applications for USDA programs.
4. Participate in USDA initiatives to share U.S. agriculture's sustainability story to global audiences, including, but not limited to, the Global Research Alliance.
5. Continue to support USDA's food waste reduction goals, including support of Further with Food.
6. Recognize USDA as a Gold Sponsor for the U.S. Dairy Sustainability Awards.
7. Co-host a nationwide workshop for researchers to disseminate information and coordinate research efforts that will foster dairy sustainability.
8. Support a nationwide multi-stakeholder meeting that will bring together the entire value chain to identify and create opportunities for the dairy and other animal industries to reduce environmental impacts while creating business and social value.
9. Cooperate as appropriate with the initiatives included under this Section III. to support creative finance mechanisms and leverage support for innovation.
10. 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 require 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 (the "Effective Date"). 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 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. and the Soil Conservation and Domestic Allotment Act, Pub. L. 74-46, 16 U.S.C. 590a-590f, 590q.

SIGNED



Sonny Perdue
Secretary, United States Department of Agriculture

Date: 2/14/2018



Paul E. Rovey
Chair, Dairy Management, Inc.

Date: 2-14-18



Barbara S. O'Brien
President, Innovation Center for U.S. Dairy

Date: 2/15/2018