

## TOOL

# PARTNERSHIP AGREEMENT

### WHY

Partnerships are less likely to run into irreconcilable disagreements if the partners have had in-depth and honest talks on how they want to cooperate – and have put their agreements in writing.

A partnership agreement helps you to clarify expectations to each other. The partnership agreement can be used as an agenda for dialogue on how you want to work together and to what you want out of the partnership.

### WHEN

It is a good idea to consider what you want to include in a partnership agreement and what is important for you in a partnership as preparation for entering into a new partnership.

Do a partnership agreement, when starting your partnership – and use it as dynamic tool for clarifying expectations during your partnership. It is a good idea to revisit it and reconsider it as your partnership develops over time.

### HOW

This tool provides a description of themes that may be useful for you to discuss and include as possible headings in a partnership agreement. Although not all themes may be relevant to every partnership, you can use the tool as checklist to make it easier to take up potentially sensitive issues in your cooperation.

When discussing and writing a partnership agreement it is important to **get the right people** together. Make sure that key people who will be involved in the partnership are part of this dialogue – and that the agreements you make are approved by the leadership of your organizations.

DUF recommends you use the tool as **a starting point for discussion** – either internally in your organization or with the partner organization:

- Clarify the partnership under discussion
- Clarify the purpose of the exercise
- Use the partnership agreement tool as a checklist for discussion – before writing an agreement.

### POSSIBLE THEMES FOR A PARTNERSHIP AGREEMENT

#### **Statement of intent**

What is the vision for the cooperation? What do you hope to achieve?

#### **Parties involved**

Who are the organizations involved in the partnership?

Who are the persons responsible for the management of the partnership and the project?

#### **Objectives of the partnership?**

What do you want to achieve by working in partnership?

In what way does the partnership contribute to the vision and work of your organizations?

#### **Values and principles**

What values and principles are important to you when working in partnership?

#### **Mutual trust and respect**

What does mutual trust and respect mean to you? What do you understand as a lack of trust and respect?

What will you do to share concerns and solve problems in the partnership? What will happen if there is a breakdown of trust and respect?

**Description of partnership**

What will your relationship be? How will you cooperate?

**Timescale**

Over what period will the partnership agreement run? Is there a possibility for renewal? Is there a maximum period?

**Rights and obligations of each partner**

What are the obligations of each partner? E.g. in relation to grants management and the conditions attached to grants. What rights does each partner have?

**Roles and responsibilities**

What roles and responsibilities does each partner have in the partnership?

**Sharing of information and confidentiality**

What information shall be shared between partners? What information do you want to keep confidential? When and how is information shared? What are the consequences of not sharing the agreed information? What information may be used externally by each partner?

**Decision making**

How and by whom will decisions be made within each organization? How will you make sure that the decision making is transparent?

**Authority and signing procedure**

Who has the authority to approve actions in each organization?

**Financial management**

If you transact money, what are the terms, conditions, accounting standards that you commit to?

**Monitoring, Evaluation and Learning**

What frameworks will be used for monitoring and evaluating progress in your projects? By whom? How will you do reporting? What will you do to ensure that both partners are part of the reporting? How will you make sure that lessons learnt are shared and used in the partnership?

**Opportunities to develop the partnership**

How will the development of the partnership be monitored and evaluated? By whom? How will you make decisions about developing the partnership?

**Dispute and conflict resolution**

What behaviour will bring the agreement into dispute? How will you sole conflicts? What role will third parties play – if any?

**Definition of terms**

A clarification and agreement of the terms can be an important part of the negotiation process and may help you to avoid future disagreements.

» If you want the written agreement to have legal status, it is important to take relevant legal instruction before making a final agreement.