

MEMORANDUM OF UNDERSTANDING
Between
HIS MAJESTY'S GOVERNMENT OF NEPAL
And
THE INTERNATIONAL IRRIGATION MANAGEMENT INSTITUTE

Preamble

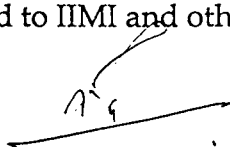
His Majesty's Government of Nepal (hereinafter referred to as the Government) which has already created a large irrigation and water resources potential, having a desire for continued improvement of the management and performance of irrigation and water resources systems to achieve the objectives of improved productivity, efficient utilization and equitable distribution of irrigation water, and the sustainability of the improved performance of irrigation and water resources systems, and

The International Irrigation Management Institute (hereinafter referred to as IIMI), an international, autonomous, non-profit, scientific organization, and a member of the network of centers supported by the Consultative Group on International Agricultural Research (CGIAR) whose members are given in Annex 1, chartered under the laws of Sri Lanka, where its headquarters are located and with a global mandate to conduct research, provide opportunities for professional development and communicate information on irrigation and water resources management, and having as its major objective, to contribute to food security and poverty eradication by fostering sustainable increases in the productivity of water through better management of irrigation and other water uses in river basins.

Considering their common interest in irrigated agriculture and its contribution to the nation's objectives, and that IIMI and the Government have established uninterrupted linkages through Memoranda of Understanding (MOU) since 3rd January 1986, initially with the Water and Energy Commission Secretariat (WECS) and currently with the Department of Irrigation (DOI) and now considering that IIMI's Program needs to diversify and be broadbased, have agreed as follows:

ARTICLE I

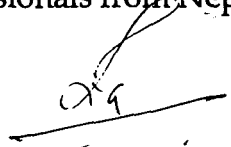
1. The government and IIMI will cooperate to strengthen the efficient and effective utilization of the already developed irrigation and water resources potential in Nepal through the establishment of joint activities between relevant organizations of Government and IIMI. This will allow IIMI to assist in the optimal utilization of land and water resources for the benefit of farmers and other water users in Nepal, and to more directly involve Nepalese personnel in activities related to IIMI and other countries with which IIMI collaborates.



2. In furtherance of these common objectives, the Government and IIMI will cooperate to ensure that research projects undertaken in cooperation with scientific departments, agencies, boards, institutions, groups or universities of Nepal are in accordance with the strategies, policies and priorities of Nepal, with this Memorandum of Understanding and with IIMI's identity as an international center with a global mandate for research in irrigation and water resources management.
3. For purposes of implementing this understanding, IIMI will be affiliated with DOI as the designated agency of the Government.
4. Subject to the provisions of this Understanding, IIMI in consultation with and agreement of the Consultative Committee as mentioned in Article V, may enter into Memoranda of Understanding and Collaborative Agreements with other entities as mentioned in paragraph 2 of this Article in the pursuit of the aforementioned objectives.

ARTICLE II

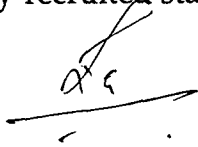
1. To accomplish the aforesaid objectives and related activities, subject to availability of staff and other resources, IIMI will contribute to the program of irrigation and water resources management in Nepal by:
 - I. Carrying out mutually agreed upon collaborative research and institutional development activities;
 - II. Providing technical support to state and national programs in the persons of its staff recruited on an international basis without discrimination as to nationality, origin or any consideration other than scientific and professional merit and performance, and locally-recruited professional and support staff;
 - III. Providing opportunities for training, both in Nepal and elsewhere;
 - IV. Organizing workshops, scientific conferences and seminars;
 - V. Providing access to IIMI's global database of information on irrigation and water resources management;
 - VI. Publishing and disseminating research results jointly with scientists and professionals from Nepal;



- VII. Facilitating the linkage of cooperating institutions from Nepal with related activities carried out in other countries participating in IIMI's international research and professional development programs;
- VIII. Cooperating at all times with the appropriate authorities of the Government to facilitate the proper administration of justice, secure the observance of police regulations and prevent the occurrence of any abuse in the use of the privileges, immunities and facilities mentioned in Article III.

ARTICLE III

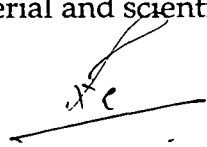
1. To facilitate the fielding of IIMI staff of the highest international calibre for the effective conduct of the program envisioned and full realization of the benefits to Nepal, the Government will grant the following facilities to IIMI allowing it to operate according to the prevalent laws and regulations in force in Nepal.
 - I. Freedom to select research topics and appropriate field locations provided such selection is done in consultation with the Consultative Committee and national agencies with which the field activity is to be conducted.
 - II. Freedom to transfer funds to and within Nepal and to convert its funds into any other currency in discharge of its research and training activities (provided such transfer is acceptable to both the Government and IIMI).
 - III. Grant IIMI exemption from taxes like registration tax, vehicle license renewal taxes.
 - IV. Ensure free movement within Nepal (subject to restrictions by the Government that may be in effect for travel to parts of Nepal) for internationally-recruited staff members and their dependents.
 - V. Grant IIMI exemption from custom duties and prohibition and restrictions on imports in respect to articles (equipment and materials, including project vehicles) imported or exported by IIMI for its official use and for implementation or completion of its projects subject to prior approval of the Government.
 - VI. Grant exemption from taxation on the salaries and emoluments paid to IIMI internationally-recruited staff other than Nepali citizens.



- VII. Allow IIMI's internationally-recruited staff, in the first six months of residence in Nepal to import free of duties and taxes, household articles, like a radio, refrigerator, television, deep freezer, video-cassette recorder, stove/cooker, micro-wave oven, washing machine and dryer, air-conditioner, minor electrical accessories and appliances, and professional equipment such as a video camera with accessories and computers are allowed to import duty free on the condition of taking them back after completion of duty. If any of these articles are sold in Nepal, they shall be subject to the payment of normal duties and taxes in accordance with the prevailing laws of Nepal.
- VIII. Allow IIMI's internationally recruited staff to import free of duty for their use, liquor and provisions up to Nep.Rs.7,000.00 per year per family.
- IX. Timely issuance of visas, work, travel and residence permits in Nepal, where necessary, for IIMI internationally recruited staff and their dependents.
- X. Authorization and facilitation of the entry to and exit from Nepal of IIMI staff and scholars participating in the collaborative program.
- XI. Right of access to electrical power, communication and other required services and infrastructure as may be needed for its effective operation.
- XII. Authority to recruit staff locally for carrying out IIMI's collaborative program. Such staff will be drawn from among Nepalese national and their terms and conditions of employment will be expected to approximate prevailing norms in Nepal with modifications as may be required to assure availability of well qualified staff and a high quality of performance.

ARTICLE IV

- 1. The Government and IIMI understand and agree that:
 - I. The benefits from this collaborative effort, such as improved management procedures, information systems, and computer software may be used by either party provided it gives due recognition to the other's contribution;
 - II. Such procedures, systems and software may be made available to the managerial and scientific community both in Nepal and outside;



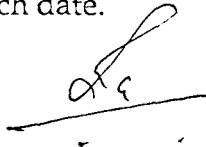
- III. Publications based on the joint program may be issued jointly or separately. Either party publishing any findings will give credit to the other party's contribution, but will be entirely responsible for all interpretations and conclusions reported.

ARTICLE V

1. In view of the need to periodically review as may be determined by mutual consent, the progress of such collaborative activities and the need to plan for and approach such activities on a programmatic basis, the Government shall have set up a Consultative Committee:
 - I. the composition and terms of reference of such Committee will be determined jointly by DOI and the National Planning Commission in consultation with and agreement of IIMI;
 - II. will include the IIMI designated coordinator for Nepal responsible for the country program in Nepal and a representative of the Director General of IIMI;
 - III. will include agency, research institute, university and National Planning commission staff at the appropriate level as may be required for the review and guidance of such collaborative programs.

ARTICLE VI

1. Any amendment or revision of this Memorandum of Understanding shall be made in writing if mutually agreed upon by both the parties.
2. Any dispute or difference arising out of or in any way concerning the effect of the meaning of this Memorandum of Understanding shall be resolved amicably.
3. This Memorandum of Understanding will take effect from the date of signature by both the Government and IIMI and shall remain in force for a period of five years from such date.

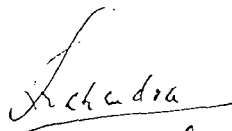
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4. This Memorandum of Understanding may be terminated by either the Government or by IIMI subject to prior written notice to the other party, of at least six months. In the event of such termination, the provisions of this Memorandum of Understanding will continue to apply for a limited period to the extent necessary to ensure the completion of existing joint projects or activities and to provide sufficient time to wind up its activities and depart.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto, have signed in this Memorandum of Understanding.

For His Majesty's Government of Nepal

For the International
Irrigation Management Institute


.....
Director General
Department of Irrigation


David Seckler
Director General

Date:

Date: 26th February 1999

LIST OF CGIAR DONORS

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