

Memorandum of Understanding (MOU)

This Memorandum of Understanding (MOU) is made and entered into this ^{17th} day of ~~December,~~ ^{January} 2008 by and between European Economic Chamber of trade, Commerce and Industry-Nepal and ~~Chamber of Commerce & Industry, Kathmandu~~ herein after referred to as EEC-Nepal and ~~..C.C.I.I....~~ respectively.

Whereas, the second party ~~..C.C.I.I....~~ has accepted in principle to work together with first party EEC-Nepal as beneficiary in the implementation of "Enhancing the Capacity of Intermediary Business Organizations in Nepal" ECIBON (Contract No: ASIE/2007/133-329) funded by the European Union under Asia Invest Program; and-

Whereas, the beneficiary wishes to enter into a partnership to define respective roles and responsibilities to meet the project objectives successfully.

Now therefore, for good and valuable consideration signatories below hereby enter into this MOU Agreement on behalf of themselves, successors and assigns, and set forth following terms and conditions as constituting the Agreement in its entirety.

1. The agreement shall go by the following name: ECIBON beneficiary.
2. The agreement's principle place of business shall be in Kathmandu, Nepal.
3. The project partnership composition shall be as follows.
 - a. European Economic Chamber of trade, Commerce and Industry (EEC)-Nepal.
 - b. Federation of National Cottage and Small Industries Nepal (FNCSIN), Nepal.
 - c. Chamber of Commerce and Industry of Southern Sweden (CCISS), Sweden.
 - d. London Chamber of Commerce and Industry (LCCI), Great Britain.
 - e. The Danish Federation of Small and Medium-Sized Enterprises (DFSME), Denmark.
4. European Economic Chamber of Trade, Commerce and Industry (EEC)-Nepal will lead and implement the project through necessary assistance from above mentioned partners.
5. The project beneficiary composition will be as follows:

Five from Commodity Associations

S.N.	Region	Name of IBO	District
1	Mid-Development	Nepal Carpet Exporters Association	Kathmandu
2	Mid-Development	Nepal Coffee Producers Association	Kathmandu
3	Mid-Development	Floriculture Association Nepal	Kathmandu
4	West Development	Rupandehi Industry Association	Rupandehi
5	Mid-Development	Lalitpur Handicraft Association	Lalitpur

Five from FNCCI Recommended Chambers

S.N.	Region	Name of IBO	District
1	West	Baglung CCI	Baglung
2	Mid-West	Nepalgunj CCI	Banke
3	East-Development	Itahari CCI	Sunsari
4	Mid-Development	Nuwakot CCI	Nuwakot
5	Far West	Darchula CCI	Darchula

Five from FNCSIN Recommended Organizations

S.N.	Region	Name of IBO	District
1	Mid-Development	District Committee Kathmandu (FNCSIN)	Kathmandu
2	Mid-Development	District Committee Bhaktapur (FNCSIN)	Bhaktapur
3	Mid-Development	District Committee Makwanpur (FNCSIN)	Makwanpur
4	Mid-Development	District Committee Dhading (FNCSIN)	Dhading
5	Mid-Development	District Committee Dolkha (FNCSIN)	Dolkha

Alternate Candidates

S.N.	Region	Name of IBO	District
1	West Development	Palpa FNCSIN	Palpa
2	Far West Development	Kanchanpur CCI	Kanchanpur
3	East-Development	Morang FNCSIN	Morang
4	Mid-Development	Nepal Herbs and Herbal Products	Kathmandu

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6. The first day that the beneficiaries shall commence business from 17th Jan. 2008 and will continue until the project is successfully implemented or until forced cease its operations by law.
7. The beneficiaries will be involved in the following activities as per the attached project document:

Scope of Activities:

(Each participant will contribute NRS. 500.00 as a participation fee and all other necessary logistics will be provided by the project)

1.1.1) Seminar on 'Doing Business with the EU and particularly Great Britain'

This seminar is given by LCCI in Kathmandu. The seminar takes 2 days and will be given twice. Participants of this seminar are 30 representatives of Nepalese 15 beneficiaries IBOs (two each). (Month: May 2008)

1.1.2) Seminar on 'Chamber management and Administration' and 'Membership Recruitment'

This seminar is given by the CCISS in Kathmandu. The seminar takes 3 days and will be given twice. Participants of this seminar are 30 representatives of Nepalese 15 beneficiaries IBOs (two each). (Month: January 2008)

1.1.3) Seminar on 'How to arrange and carry out Match-Making activities and events' and 'How to prepare and participate in Trade Fairs and Exhibitions'

This seminar is given by parallel by CCISS and DFSME in Kathmandu. The seminar takes 2 days and will be given twice (4 days). Participants of this seminar are 30 representatives of Nepalese 15 beneficiaries IBOs. (Month: April 2008)

1.1.4) Seminar on International Documents and Payments' and 'Regional policy in Economy and Infrastructure'

This seminar is given by the CCISS in Kathmandu. The seminar takes 2 days and will be given twice. Participants of this seminar are 30 representatives of Nepalese 15 beneficiaries IBOs (two each). (Month: July 2009)

1.1.5) Training on relevant EU/WTO quality and social standards issues applicable

The aim of this training is to impart knowledge on EU/WTO quality and social standard issues applicable to Nepalese entrepreneurs in relation to EU standards. This training will be provided by 2 sub-contracted Nepalese experts. This training of 2 days will be implemented in 4 different locations (to be identified) in Nepal. (Month: March, April, May & June 2009)

1.1.6) Marketing / international business training for Nepalese IBOs.

The aim of this training is to impart knowledge on marketing and international business for Nepalese IBOs. Nepalese entrepreneurs are quite competent in production but lack behind in marketing and international business transaction. This training will be provided by Nepalese local experts. This training of 4 days will be implemented in 4 different locations (to be identified) in Nepal. (Month: September & November 2008, January & March 2009)

2.1.1) Assessment of opportunities in -three- sub-sectors for potential trade

The aim of this assessment is to produce, a study on three target sub-sectors of trade between Nepal and the EU. This assessment will be carried out in Nepal, Scandinavia and the United Kingdom. The assessment will be a useful reference during the implementation of the project as well as a part of the annual trade report (activity 2.2.3). (Month: April, May & June 2008)

2.1.2) General assessment of trade related procedures and requirements

This assessment aims to determine all trade related policies, systems and step by step procedures for smooth trade between EU and Nepal. This assessment will be carried out in Nepal, Scandinavia and the United Kingdom. (Month: August, September & October 2008)

2.2.2) Direct mailing campaign to raise awareness among Nepalese SMEs

This activity envisages addressing a direct mailing campaign directed at 80 Nepalese IBOs to raise awareness and build the capacity among them as well as Nepalese SMEs of business opportunities in Europe, related technicalities and the available knowledge among existing Nepalese IBOs. (Month: November & December 2008, January 2009)

2.2.3) Preparation of first annual EU Trade Report by EEC-Nepal

The importance of trade as a factor for development and growth is becoming more and more evident. If accompanied by the proper flanking policies and if used correctly, trade policies can provide opportunities for promoting economic development and tackling poverty alleviation. However, issues such as tariff, non tariff barriers, quality, and standard issues always come in the way of facilitating trade. (Month: May, June & July 2009)

3.1.1) Organise a meeting for Nepalese IBOs

- to establish an IBO- network.
- to determine an Advisory Committee for the project:
- to determine a schedule for meetings of the Advisory Committee once every 4 months:
- to determine the way of cooperation within the Nepalese intermediary network:
- to make a further detailed inventory among the Nepalese intermediary network of expectations / requirements: (Month: November & December 2008, January 2009)

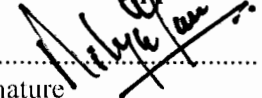
3.1. 2) Sign cooperation agreements within the Nepalese intermediary network

Based on the inventory of expectations / requirements collected from the benefiting IBOs of the IBO-network at the IBO-meeting, EEC-Nepal and FNCSIN will prepare the different cooperation agreements of each IBO and send them for their comments. When benefiting IBOs give their agreement the cooperation agreement will be finalized and signed by EEC-Nepal and the specific IBO for both administrations. (Month: November & December 2008, January 2009)

8. Upon completion of the project the agreement will be promptly liquidated.
9. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the arbitration rules of: International Chamber of Commerce (ICC) Nepal
10. The parties shall do every thing possible to settle amicably any dispute arising between them during implementation of this contract. To that end, they shall communicate their positions and any solution that they consider possible in writing, and meet each other at either's request. A party must reply to a request for an amicable settlement within 30 days. Once this period has expired, or if the attempt to reach amicably settlement has not produced agreement within 120 days of the first request, each party may notify the other that it considers the procedure to have failed.
11. In the event of failure to reach an amicably agreement, the dispute may be common agreement of the parties be submitted to the conciliation of the European Commission if it is not the contracting authority. If no settlement is reached within 120 days of the opening of the conciliation procedure, each party may notify the other that it considers the procedure to have failed.
12. In the event of failure of the above procedures, each party may submit the despot to the courts of the contracting Authority, or to the Brussels courts where the contracting Authority is the European Commission.

IN WITNESS WHEREOF, The parties have executed this MOU as of the day and year first above set forth.

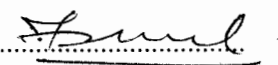
On Behalf of Applicant

Signature: 
Name: Mr. Dibya Mani Rajbhandari
Designation: President
European Economic Chamber (EEC)-Nepal
535/30 Kalikamarg, Dilly Bazar
PO Box: 8975, EPC 5412
Kathmandu, Nepal.

Witness:

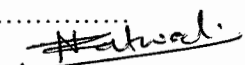


On Behalf of Beneficiary

Signature: 
Name: Tanka Prasad Dulal
Designation: President

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Witness:


Nobindra Katwal
(Senior office Assistant)