

भाग ५

श्री ५ को सरकार

कानून तथा न्याय मन्त्रालयको सूचना

श्री ५ को सरकार, नेपाल र क्यानाडा सरकारबीच Canadian Development Assistance Project to Develop an Aircraft Maintenance Complex at The Nepalgunj Airport सञ्चालन गर्ने सम्बन्धमा भएको Memorandum of Understanding सर्वसाधारणको जानकारीको लागि प्रकाशित गरिएको छ ।

MEMORANDUM OF UNDERSTANDING BETWEEN THE GOVERNMENT OF CANADA AND

HIS MAJESTY'S GOVERNMENT OF NEPAL CONCERNING A CANADIAN DEVELOPMENT ASSISTANCE PROJECT TO DEVELOP AN AIRCRAFT MAINTENANCE COMPLEX AT THE NEPALGUNJ AIRPORT

The Government of Canada (hereinafter called "CANADA") and His Majesty's Government of Nepal (hereinafter called "NEPAL"), desiring to record an understanding concerning a Canadian development assistance project to upgrade the Nepalgunj Airport maintenance facilities have agreed as follows:

ARTICLE I

NATURE OF THE MEMORANDUM OF UNDERSTANDING SECTION 1.01

This memorandum of Understanding is intended only to set out the responsibilities of the two Governments in relation to the Project .

ARTICLE II

RESPONSIBLE AUTHORITIES

SECTION 2.01

CANADA designates the Canadian International Development Agency (hereinafter called "CIDA") as the agency responsible for the implementation of its obligations under this Memorandum of Understanding.

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SECTION 2.02

NEPAL designates unless otherwise stated herein, the Department of Civil Aviation (hereinafter called "DCA") and Royal Nepal Airlines Corporation (hereinafter called "RNAC") as the agencies responsible for the implementation of its obligations under this Memorandum of Understanding.

ARTICLE III
THE PROJECT

SECTION 3.01

CANADA and NEPAL shall participate in an airport construction project in Nepalgunj by establishing an aircraft line maintenance complex (hereinafter called the "Project"). The objective of the Project is to assist Nepal in decentralizing its domestic air service to the gateway of the western region. The construction of civil facilities will be compatible with the Master Plan for Nepalgunj airport.

SECTION 3.02

The different components of the Project are the following:

- (a) the construction of:
 - (i) an aircraft hangar capable of withstanding monsoon conditions,
 - (ii) a maintenance workshop, stores and offices,
 - (iii) a link taxi-way to the hangar from the runway and a hangar parking apron,
 - (iv) the associated taxi-way lighting, and
 - (v) an approach road complete with street lighting from the land site to hangar.
- (b) the provision of:
 - (i) hangar equipment;
 - (ii) aircraft spare parts;
 - (iii) drainage and water supply;
 - (iv) engineering and procurement services; and
 - (v) technical assistance and maintenance/management training.
- (c) the training of candidates in management and technical areas.

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SECTION 3.03

The procurement of goods and services relating to the Project will be performed by CANADA, in consultation with DCA and RNAC.

**ARTICLE IV
MANAGEMENT PLAN****SECTION 4.01**

For implementation of the Project, CANADA and NEPAL will develop a Management Plan which will constitute an operational document between DCA, RNAC and CIDA. The Management Plan will be completed and signed by CANADA and NEPAL within ninety (90) days from the date of this Memorandum of Understanding, and will contain, inter alia, the following:

- (a) a detailed description of the Project;
- (b) an outline of the methods and means to be used to carry out the Project;
- (c) a schedule for the implementation of the Project activities, including a milestone chart;
- (d) the reporting requirement for the Project;
- (e) the nature, timing and responsibilities for Project ;
- (f) the resources required for the Project; and
- (g) a statement of additional obligations, duties and responsibilities of CANADA and NEPAL together with their contributions.

**ARTICLE V
CONTRIBUTION OF CANADA****SECTION 5.01**

The contribution of Canada shall consist of the provision of training, professional services of Canadian advisors, technical assistance, structural and other materials, equipment and supplies, and the services of Canadian consultants and technical personnel for implementation, construction, procurement, monitoring and evaluation, all as more particularly set forth in Annex "A". The total value of CANADA's contribution shall not exceed four million three hundred and thirty thousand Canadian dollars (CDN \$ 4,330, 000).

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SECTION 5.02

The proceeds of the contribution shall not be used by NEPAL to pay any taxes, fees, customs duties or any other levies or charges imposed directly or indirectly by NEPAL on any goods, materials, equipment, vehicles and services purchased or acquired for, or related to, the execution of the Project

ARTICLE VI

CONTRIBUTION OF NEPAL

SECTION 6.01

The contribution of NEPAL shall consist of the provision of qualified personnel, counterparts to Canadian advisors, land for the project, and other Project requirements all as set forth in Annex "B". The total value of NEPAL's contribution shall not exceed the equivalent in Nepalese currency of one million five hundred thousand Canadian dollars (CDN \$ 1,500,000).

ARTICLE VII

DEFINITIONS OF CANADIAN FIRMS AND PERSONNEL

SECTION 7.01

For the purpose of this Memorandum of Understanding:

- (a) "Canadian firm" means Canadian companies or institutions engaged in the Project;
- (b) "Canadian personnel" means Canadian advisors or technical personnel, being non-permanent residents of Nepal, who are working in Nepal on the Project;
- (c) "Dependent" means:
 - (i) the spouse of a member of the Canadian personnel, including a person of the opposite sex with whom the member of the Canadian personnel has lived and publicly represented as his/her spouse for a period of not less than one year before the commencement of his/her period of service in Nepal;
 - (ii) a child of the member of the Canadian personnel, who is:
 - 1. under twenty-one years of age and dependent on the member of the Canadian personnel for support, or

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2. twenty-one years of age or older and dependent on the member of the Canadian personnel for support by reason of mental or physical incapacity.

ARTICLE VIII INDEMNITY

SECTION 8.01

NEPAL shall indemnify and save harmless CANADA, Canadian firms and Canadian personnel from civil liability, for acts or omissions occurring in the course of the performance of their duties in the execution of the Project except for acts arising from gross negligence or willful misconduct of Canadian firms or Canadian personnel.

ARTICLE IX TAX AND OTHER EXEMPTIONS

SECTION 9.01

NEPAL shall exempt Canadian firms and Canadian personnel and their dependents from taxes imposed on income, provided such income arises outside of Nepal or from Canadian aid funds as provided in this Memorandum of Understanding. In addition, NEPAL shall exempt Canadian firms from any obligations to present written declarations in relation to these exemptions.

SECTION 9.02

NEPAL shall exempt Canadian firms and Canadian personnel from import duties, customs tariffs and all other duties, storage charges or levies on materials, and technical and professional equipment for use in the Project by Canadian personnel, or persons designated by NEPAL provided that exemption from such duties, tariffs, storage charges or levies shall only apply to materials, goods, or equipment procured from outside Nepal. Technical and professional equipment imported by Canadian firms will not be liable for payment of duty if they are re-exported on completion of the project or sold to a person or organization with duty-free privileges.

SECTION 9.03

NEPAL shall exempt Canadian personnel and their dependents as per the facilities provided to Colombo Plan personnel upon

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their first arrival in Nepal and for a period of Six (6) months thereafter, from customs duties, other duties, taxes, levies and other charges of similar nature, on personal effects and household appliances and vehicles subject to the re-exportation or to the termination of the useful life of such effects or to the disposal of said effects to persons enjoying similar exemptions.

SECTION 9.04

Funds, equipment, products, materials and any other goods acquired for, or related to, the execution of the Project shall not be subject to any taxes, import duties, customs tariffs, inspection fees or storage charges or any other levies, duties, fees or charges.

SECTION 9.05

NEPAL shall grant Canadian firms and canadian personnel freedom from currency exchange restrictions in respect of the re-exportation of their salaries, fees, remunerations or other revenues transferred from abroad through authorized banking institutions in Nepal.

SECTION 9.06

Upon request, NEPAL shall inform Canadian firms and Canadian personnel and their dependents of local laws and regulations which may concern them in the performance of their duties.

SECTION 9.07

Nepal shall facilitate the repatriation of Canadian personnel and their dependents in cases where, in the opinion of CANADA or NEPAL, the life or safety of the said Canadian personnel or their dependents is endangered.

SECTION 9.08

NEPAL shall provide all Canadian personnel and their dependents long term multiple entry and exit visas for travel to and from Nepal and will be responsible for providing security clearances, permits and other similar documentation.

SECTION 9.09

NEPAL shall afford all accredited representatives of CIDA and Canadian personnel all necessary opportunity to visit any part of Nepal other than the restricted area for official activities related to the Project.

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ARTICLE X
INFORMATION

SECTION 10.01

NEPAL and CANADA shall ensure that this Memorandum of Understanding is carried out with due diligence and efficiency and each shall furnish to the other all such information relating to the Project as shall reasonably be requested.

ARTICLE XI
COMMUNICATIONS

SECTION 11.01

Any communications or documents given, made or sent by either NEPAL or CANADA pursuant to this Memorandum of Understanding, shall be in writing and shall be deemed to have been duly given, made or sent to the party to which it is addressed at the time of its delivery by hand, mail, telegram, cable or telex at its respective address, namely:

For NEPAL:

Mail Address: Secretary, Ministry of Finance
His Majesty's Government of Nepal
Kathmandu, Nepal.

Cable Address: ARTHA, Kathmandu
2249 ARTHA NP

For CANADA:

Mail Address: President
Canadian International Development Agency
200, Promenade du Portage
Hull, Quebec, CANADA
K1A OG4

Cable Address: CIDA HULL/BSG

Telex: 053-4140

SECTION 11.02

Any one of the parties hereto may, by written notice to the other party hereto, change the address to which any notice or request intended for the party so giving such notice shall be addressed.

SECTION 11.03

All communications and documents submitted to CANADA shall be in either the English or the French language, and those submitted to NEPAL shall be in the English language.

ARTICLE XII

INTERPRETATION

SECTION 12.01

Differences which may arise in the application of the provisions of this Memorandum of Understanding shall be settled by means of negotiations between CANADA and NEPAL or by any other manner mutually agreed upon by their respective Governments.

ARTICLE XIII

ENTIRE UNDERSTANDING

SECTION 13.01

This Memorandum of Understanding together with Annexes "A", and "B" which form an integral part hereof constitutes the entire understanding between the Parties with respect to the Project.

ARTICLE XIV

CONSULTATION

SECTION 14.01

CANADA and NEPAL will endeavour to consult each other in respect of any matter that may from time to time arise in connection with this Memorandum of Understanding.

ARTICLE XV

GENERAL PROVISIONS

SECTION 15.01

This Memorandum of Understanding shall come into force and effect on the date of signature and shall expire on 31 December 1993. This Memorandum of Understanding may be amended from time to time, as deemed necessary, by mutual agreement by an exchange of letters.

IN WITNESS WHEREOF, the Undersigned have signed this Memorandum of Understanding in duplicate in _____ on the 9th day of September, 1988.

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corresponding to their status and rank, while they are required to travel on duty.

(c) Expenditures related to Canadian equipment:

the prompt inland transportation of all equipment, products, materials, supplies and other imported goods required for the execution of the Project, from the port of entry in Nepal to the Project site, including where necessary, the obtaining of priority by NEPAL forwarding and transportation agents.

II: CANADA shall provide NEPAL in a timely manner with the names of the Canadian personnel and their dependents entitled to the rights and privileges set forth in the Memorandum of Understanding.

III: CANADA shall provide and pay for:

- (a) the services of a Canadian executing Agency to manage and administer the Project, to provide advice concerning training needs and candidates selection and for the placement, briefing, orientation, travel, monitoring and management of trainees;
- (b) the services of a Canadian firm for the construction of the hangar, and other civil components of the project.
- (c) the services of a Project Monitor for the duration of the Project;
- (d) the services of a Project evaluator to conduct evaluations at the end of the Project;
- (e) structural and other materials, hangar equipment, aircraft spare parts, drainage and water supply, taxiway lighting, street lighting, and tools and equipment required for maintaining civil structures up until the time of completion of construction.
- (f) engineering and procurement services and technical assistance; and
- (g) maintenance/management training.
- (h) Canada will hand over the civil component of the projects to DCA upon completion of the construction and required maintenance, complete with as-built drawings, construc-

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tion cost, and other relevant information required to operate and maintain the facility. Similarly, spare parts and hanger equipment shall be handed over to RNAC.

- (i) transportation for the Canadian advisors and NEPAL project co-ordinator; project vehicles will be handed over to DCA on completion of the project, in the condition they are in at project termination.

ANNEX "B"

RESPONSIBILITIES OF HIS MAJESTY'S GOVERNMENT OF NEPAL

GENERAL

I: NEPAL shall provide or pay for:

1. through RNAC, furnished premises and office services in compliance with the standards of the Government of Nepal, including adequate facilities and materials, support staff, professional and technical material, and telephone, mail and other services which the Canadian personnel would need in order to carry out their duties;
2. the recruiting and selection of technical counterparts when required for the Project;
3. any official assistance which may be required for the purpose of facilitating the travel of Canadian personnel in the performance of their duties in Nepal;
4. any official assistance which may be required for the purpose of expediting the clearance through customs of equipment, products, materials, supplies, and other goods required for the execution of the Project and the personal and household effects of Canadian personnel and their dependents;
5. demurrage charges and normal precautions taken with the articles mentioned in Section 9.02 and 9.04 during the period they are being held in customs within the territory of Nepal.
6. all permits, licences and other documents including costs related thereto, necessary to enable Canadian firms and Canadian personnel to carry out their functions in Nepal.
7. all necessary visas and all import or export permits as the case may be, Canadian advisors and their dependents,

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- for equipments, materials, supplies or goods required for the execution of the Project, the professional and technical equipment and the personal effects of such Canadian advisor and their dependents ;
8. permission from the relevant Ministry or Ministries in accordance with the relevant laws and regulations, to use all means of communications such as high frequency of radio transmitters and receivers approved for use in Nepal and telephone and telegraphs networks, depending on the needs of the Project;
 9. reports, records, maps, statistics and other information related to the Project and likely to assist Canadian personnel in carrying out their duties, provided that they are not classified and have no relation to national security;
 10. land for construction of the hangar and civil works;
 11. any contract tax in connection with the construction of the hangar and civil works.
- II: NEPAL shall give access to Canadian personnel and their dependents to medical care and hospitalization in Nepal in accordance with those standards granted to officials of equivalent rank of His Majesty's Government of Nepal.
- III: NEPAL shall ensure the continued employment on the Project's operation of individuals from Nepal who are trained in CANADA as part of the Project, for not less than two years upon their return to Nepal.
- IV: NEPAL shall provide or pay for:
- (a) a Project Coordinator from DCA to manage the construction component of the Project;
 - (b) a Project Coordinator from the Royal Nepal Airlines Corporation to manage and administer the training, maintenance and equipment components of the Project;
 - (c) salaries of trainees while on training;
 - (d) salaries of the personnel from DCA and from the RNAC required to assist in the construction and equipping of the hangar;
 - (e) maintenance of the hangar after completion of construction.

आज्ञाले,
उदय नेपाली श्रेष्ठ
उपसचिव

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मुद्रण तथा प्रकाशन विभाग, सिंहदरबार, काठमाडौंमा मुद्रित ।

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