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AGREEMENT  
between the  
GOVERNMENT OF THE KINGDOM OF SWAZILAND  
represented by  
THE MINISTRY OF COMMERCE, INDUSTRY AND TOURISM  
and  
PARTNERSHIP FOR PRODUCTIVITY INTERNATIONAL  
of  
Washington, D.C.  
United States of America

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AGREEMENT between the Government of the Kingdom of Swaziland represented by: Ministry of Commerce, Industry and Tourism and

Partnership for Productivity, International of Washington, D.C., United States of America

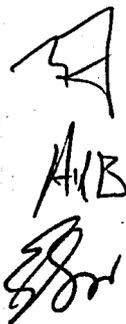
ARTICLE I - INTRODUCTION AND PURPOSE

The Government of the Kingdom of Swaziland, known herein as the GOS, and Partnership for Productivity, International, known herein as PFP/I, are desirous of establishing a working association in cooperation with PFP/I's implementation of the United States Agency for International Development funded "Swaziland Training for Entrepreneurs Project" in collaboration with those organizations (government, SEDCO, business and private voluntary) interested in exploring alternative methods, not previously tried successfully in Swaziland, to promote small enterprise development.

ARTICLE II - OBJECTIVES

PFP/I, in implementing the "Swaziland Training for Entrepreneurs Project," will pursue the following objectives:

- A. To explore approaches or methods not previously tried successfully in Swaziland to assist small enterprises, PFP/I will develop, monitor and evaluate small grants or loans to assist those organizations working in small enterprise development. These approaches ought to aim at financial self-sufficiency and emphasize businessmen helping each other.
- B. Because there are areas where information on business needs and opportunities in Swaziland are not known, PFP/I will develop and fund research into the constraints, possibilities and socio/economic effects of small enterprise development. The research is to be pragmatic and done, when appropriate, by the Social Science Research Unit (SSRU) of the University of Swaziland.
- C. To ensure that vocational training programs provide necessary business skills PFP/I will assist, as a demonstration activity, Manzini Industrial Training Centre's Business Management Extension Program to train small entrepreneurs in marketing, management, accounting, and business organization.

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- D. To ensure that the lessons learned from project activities are disseminated and used as widely as possible, the project must establish mechanisms for effective coordination and dissemination with all organizations (for example, government, SEDCO, business, private voluntary, and research) interested in small enterprise development. The project will also establish a mechanism to review all loans, grants, and research proposals, and make recommendations for funding.

ARTICLE III - OBLIGATIONS OF PFP/I

- A. Plan, design and implement all effective steps and programs necessary to fully achieve the objectives listed in Article II above.
- B. Provide all appropriately qualified staff and consultants necessary to achieve Article III.A. above.
- C. Pay all salaries, emoluments, and transportation costs for PFP/I staff and consultants assigned to the project.
- D. Provide staff consultants assigned to the project with required back-up, technical assistance, supervision, and support as will be required.
- E. Observe all laws of the Kingdom of Swaziland in implementation of the project and ensure that all staff and consultants act in similar fashion.

ARTICLE IV - OBLIGATIONS OF THE GOS

- A. Accept PFP/I as a private, non-profit entity whose sole purpose is to assist the people and the GOS in the further development of the nation's small enterprise sector so that it may better respond to the needs of the nation.
- B. Admit to the Kingdom of Swaziland such staff and consultants as PFP/I may deem necessary to fulfill its obligations under the USAID-funded "Swaziland Training for Entrepreneurs Project."
- C. For the duration of the Agreement, the household and personal effects of PFP/I staff and their dependents, except for local hires, for the first six (6) months after their first arrival, shall be exempt from duties and taxes. This exemption shall also apply to the local ex-factory purchase of one project vehicle.



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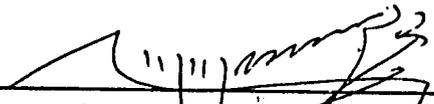
- D. Allow PFP/I staff and consultants assigned to work on this project freedom to represent PFP/I in implementing its provisions.
- E. Grant PFP/I staff, their dependents, and consultants assigned to the project, exemption from local income tax, except for local hires. Also, grant exemption to PFP/I staff, their dependents, and consultants assigned to work on the project from national taxes and other fiscal charges except taxes due resulting from the hiring of Swazi citizens.
- F. Grant exemption for all project-related materials and equipment acquired under the Agreement from all duties, customs, taxes and charges on import. Project-related materials and equipment shall also be exempt from duties and taxes and/or restrictions on export upon completion of the project or termination of this Agreement.

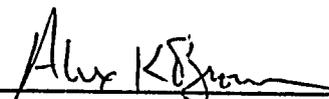
ARTICLE V - TERM OF THE AGREEMENT

Subject only to force majeure this Agreement shall remain in effect for three years from the date of its execution. Either party shall have the unilateral right to rescind this Agreement and be relieved of all further obligations and liabilities hereunder by giving ninety (90) days written notice to the other party. This Agreement may be amended or extended by the mutual consent and agreement of both parties by a simple exchange of letters.

FOR THE GOVERNMENT OF THE KINGDOM OF SWAZILAND

FOR PARTNERSHIP FOR PRODUCTIVITY, INTERNATIONAL

  
 \_\_\_\_\_  
 Principal Secretary  
 Ministry of Commerce,  
 Industry and Tourism

  
 \_\_\_\_\_  
 Alex K. Brown  
 PFP/I Representative

Date: 3. 11. 86.

Date: 3/11/86

  
 \_\_\_\_\_  
 Principal Secretary  
 Department of Economic  
 Planning and Statistics

Date: 3. 11. 86