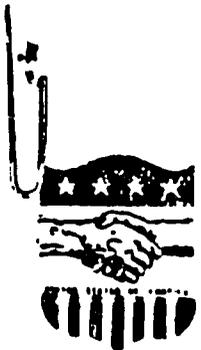


POCBM220



UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
MISSION TO NEPAL  
June 19, 1991

KATHMANDU, NEPAL

Dr. Thakur Nath Pant  
Joint Secretary  
Ministry of Finance  
Bagh Durbar  
Kathmandu

Subject: Innovative Scientific Research Program II  
Project No. 936-5600

Dear Dr. Pant:

This letter sets forth the agreement between His Majesty's Government of Nepal (HMG/N) and the United States Agency for International Development (AID) with respect to a grant of funds by AID for the purpose of conducting scientific research of concern to Nepal, referred to as the "Project". In furtherance of this purpose, AID, through this agreement, hereby grants the amount of US \$150,000 for the project "Ranching Mahaseer in the Himalayan Waters of Nepal (10.613)".

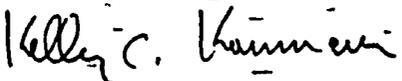
Tribhuvan University (TU) will be the implementing agency for this research activity. The present agreement shall enter into force when signed. Attachment I to this letter sets forth financial, procurement and administrative procedures for the above Project. Please take particular note of item 2. Procurement Procedures: a) Source, Origin and Nationality, b) Restricted Items and c) Tax Exemption, since these have raised special concerns during the implementation of earlier scientific projects.. Attachment II contains a full description of the research activity and grant budget. Funds authorized under this Project shall be made available for the purposes specified in the agreement until June 30, 1996.

Dr. Pant

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Your signature below constitutes agreement to the Project and the procedures above.

Sincerely,

  
Kelly C. Kammerer  
Director



Thakur Nath Pant  
Joint Secretary  
Ministry of Finance

Attachment: a/s

This attachment sets forth procedures necessary to undertake the research activity, entitled "Ranching Mahaseer in the Himalayan Waters of Nepal, 10. 13" by TU.

The grant amount shall not exceed \$150,000 for this activity, as outlined in Attachment II. It is understood that the recipient institution, assumes responsibility to secure any additional resources that may be required to complete this research activity.

1. Financial Procedures

- a. AID grant funds in support of the research activity shall be changed from U.S. Dollars to Nepali Rupees at the highest rate of exchange not unlawful at the time the conversion is made. These funds will be disbursed by USAID/Nepal ("AID/N") to the Tribhuvan University through the Ministry of Finance, HMG/N. The amount and frequency of the releases will be based on a planned disbursement schedule to be submitted by TU to AID/N. The planned disbursement schedule should include actual funds required for disbursements for 120 days. Subsequent releases will be made upon receipt of expenditure claims covering the preceding trimester and a planned disbursement schedule for the current trimester. TU shall allocate and disburse project funds in accordance with the detailed budget of research activity.
- b. After all funds (US \$150,000) have been released and all project activities completed, TU will provide AID/N with a final duly certified Statement of Expenditures which will, along with earlier submitted statements, account for the full amount of funds released. This final Statement of Expenditures shall be submitted within six (6) months after conclusion of the research activity. Any unexpended balance after the completion of the research activity should be refunded to AID/N within sixty (60) days from the date of AID/N's notification to TU of the amount of the unexpended balance.
- c. In accepting these funds, TU agrees that they shall expeditiously transfer funds through their accounting system to the institution(s) where the research activity is to take place. These funds will be applied solely to the conduct of the approved research activity. The grantee has the authority to modify direct costs line items up to 15% without A.I.D. approval, so long as the total amount budgeted for direct costs is not exceeded. For modifications beyond 15%, A.I.D. approval should be requested from the project officer and a subsequent issuance of a Project Implementation Letter (PIL) by AID/N.
- d. The parties shall have the right at any time to observe operations carried out under the project. TU shall be responsible for ensuring that project financial books and records are maintained in accordance with generally

accepted accounting principles and practices, and that these will be available for review by AID/N or its representatives upon request. Either party during the term of the Project and for three years after the completion of the Project shall further have the right (1) to examine any property procured through financing by the party under this Project, wherever such property is located, and (2) to inspect and audit any records and accounts with respect to funds provided by, or any properties and contract services procured through financing by that party under this Project, wherever such records may be located and maintained. Each party, in arranging for any disposition of any property procured through financing by the other party under this Project shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the financing party.

- e. AID and the Grantee may obtain the assistance of other public and private agencies in carrying out their respective obligations under this Agreement. The two parties may agree to accept contributions of property, services, facilities and funds for purposes of this Agreement from other public and private agencies, and may agree upon the participation of any such third party in carrying out activities under this Agreement.
- f. Any funds provided to either party pursuant to this Agreement which are not used in accordance with this Agreement, shall be refunded to the party providing the funds.

2. Procurement Procedures

a. Source, Origin and Nationality

These funds may be used to finance the foreign exchange and local currency costs of goods, and services required for the Project having, with respect to goods their source and origin, and with respect to the providers of services, their nationality, in the cooperating country (Nepal), United States and Geographic Code 941 as in effect at the time orders are placed or contracts entered into for such goods or services, except as AID/N may otherwise agree in writing. TU shall consult AID/N and obtain AID/N approval before procuring goods or services with sources, origin or nationality other than Nepal, and before any use of air or ocean transportation services under the Project. Ocean shipping financed by A.I.D under the project shall, except as A.I.D. may otherwise agree in writing be financed only on flag vessels of the United States. Competitive procedures shall be used for procurement, and contract awards for goods or services shall be made at reasonable prices.

b. Restricted Items:

TU shall not procure with AID/N funds any of the following goods or services without the prior written authorization of the AID/N Project Officer: agricultural commodities, motor vehicles, pharmaceuticals, pesticides, rubber compounding chemicals and plasticizers, used equipment, U.S. Government-owned excess property, or fertilizer. Under no circumstances shall TU procure military equipment, surveillance equipment, commodities and services for support of police or law enforcement activities, abortion equipment and services, luxury goods and gambling equipment, or weather modification equipment.

TU will obtain necessary approval from the related Ministries/Departments of His Majesty's Government of Nepal (HMG/N) prior to importation of biological control agents. In order to insure appropriate environmental safeguard, TU will make sure that all necessary measures are taken during the experimentation of any biological control agents.

c. Tax Exemption

i. Imported Project Commodities

All goods or commodities imported into Nepal for the purpose of carrying out the Project shall be free and exempt from any identifiable taxes, tariffs, duties, fees or levies imposed under the laws of the Kingdom of Nepal. If such exemption is not provided, TU shall promptly pay such taxes, tariffs, duties, fees or levies from its own funds.

ii. Non-resident Personnel and Firms

Personnel (other than citizens and residents of Nepal), whether United States Government employees or employees of public or private organizations under contract with, or individuals under contract with AID/N, TU or any agency authorized by TU who are present in Nepal to provide services which AID/N has agreed to furnish or finance under this Project, shall be exempt from contract, income, social security or other taxes on income imposed under the laws of Nepal, from property taxes on personal property intended for their own use, and from the payment of any tariffs or duty upon personal or household goods brought into Nepal for the personal use of themselves and members of their families (not including such personal or household goods as may be sold by any such personnel in Nepal). Likewise, any firm, not normally resident in Nepal, shall be

exempt from all such income or property taxes, tariffs or duties related to work on Project activities financed by AID/N hereunder.

- iii. Any interest or other earnings on funds provided by AID to the Grantee under this Agreement will be returned to AID by the Grantee.

### 3. Administrative Procedures

#### a. Project Assistance Completion Date (PACD)

The PACD is June 30, 1996 or such other date as the parties may agree in writing. By this date the parties estimate that all research activities financed under this Project will have been completed. AID shall not be required to disburse funds hereunder after the expiration of nine (9) months after the PACD, or any extension thereof, for activities completed prior to the PACD.

#### b. Technical Reports

Reports must be sufficiently detailed to substantiate the findings and to permit a scientific evaluation of the research. The overseas collaborators must be given fair credit for their participation in the research and a chance to review and comment on the final report before it is submitted. The principal investigator must share a draft of the final report with the A.I.D. Project Officer for comment prior to the formal submission. Publication in scientific journals is encouraged. Additional guidance on report preparation is given in the "Interim Guidelines on Performance Report Preparation for PSTC and CDR Projects" available in the Mission.

- i. Performance Reports: Performance reports are required every six months. The Principal Investigator will submit reports stating what has been accomplished to date and detailing project management issues. A financial status report will be attached to each report. Reports are due within sixty days after the end of each six month period. Four copies of each report are to be submitted to the Office of the Science Advisor, Room No. 320 SA-18, Washington, D.C. 20523-1818; one copy to the project technical backstop officer, Dr. Lamarr Trott, ST/AGR/RNR, Room No. 406E, SA-18, Washington, D.C. 20523-1809; one copy to the USAID/Nepal Project Officer; and two copies to the National Academy of Sciences, BOSTID, 2101 Constitution Avenue, N.W., Washington, D.C. 20418.

ii. Final Performance Report: Within sixty days (60) after the termination date of the grant, the Principal Investigator will submit five copies of the final report to the Office of the Science Advisor, Room No. 320 SA-18, Washington, D.C. 20523-1818; five copies to USAID/Kathmandu; one copy to the technical backstop officer, Dr. Lamarr Trott, ST/AGR/RNR, Room 406E, SA-18, Washington, D.C. 20523-1809; one copy to Bureau of Program and Policy Coordination, Center for Development Information and Evaluation (PPC/CDIE), Room 215C, SA-18, Washington, D.C. 20523-1802; and one copy to the National Academy of Sciences, BOSTID, 2101 Constitution Avenue, N.W., Washington, D.C. 20418.

c. Publications

TU shall provide AID/N with ten (10) copies of all published works developed under the Project.

TU is permitted to secure copyright to any publication produced or composed under the Project provided TU agrees to and does hereby grant to AID/N a royalty-free, non-exclusive, and irrevocable licence throughout the world to use, duplicate, disclose, or dispose of such publications in any manner and for any purpose and to permit others to do so. TU agrees to notify AID/N in writing of any invention or discovery conceived or first actually brought to practice in the course of or under this Project.

Acknowledgement of A.I.D.'s contribution to any publication resulting from this grant shall be made in accordance with A.I.D. procedures.

d. Information and Evaluation

Information: AID/N and TU shall each furnish the other such information as may be needed to determine the nature and scope of operations under this Project and to evaluate the effectiveness of Project activities upon completion.

Evaluation: Project evaluation must be based on analysis of final report and other information deemed appropriate by project manager. Final evaluation should be completed not later than ninety days after final report submission and should contribute to Mission's project assistance completion report.

e. **Project Implementation Letters (PILs)**

To assist in the implementation of the Project, AID/N, from time to time, may issue PILs to TU that will furnish additional information about Project matters. The parties may also use jointly agreed upon PILs to confirm and record their mutual understanding on aspects of the implementation of this Project.

f. **Title to Property**

Any property furnished to either party through financing by the other party pursuant to this Agreement shall, unless otherwise agreed by the party which financed the procurement, be used effectively for the purposes of the Project in accordance with this Agreement, and upon completion of the Project, will be used so as to further the objectives sought in carrying out the Project. Either party shall offer to return to the other, or to reimburse the other for, any property which it obtains through financing by the other party pursuant to this Agreement which is not used in accordance with the preceding sentence. Unless otherwise agreed by the parties or otherwise specified in a PIL, title to all property procured through financing by AID/N pursuant to this Project shall be in TU or such public or private agency as TU may authorize.

g. **Termination**

This Project may be terminated by either party upon thirty (30) days written notice to the other party.

h. **Representatives**

Mr. Ganesh Bahadur Pradhan, Chief Controller, TU is the official representative for this Project. All future correspondence regarding this Project shall be sent directly to and received from Mr. Pradhan.

4. **Special Provisions**

a. **Compliance with Federal Guidelines and Regulatory Procedure**

i. The recipient will implement this research activity in accordance with all relevant guidelines for U.S. Government funded research, such as:

- (1) USDA-APHIS procedures for animal and plant health inspection;

- (2) procedures issued by USDA, EPA, or other appropriate federal agencies, regarding testing of genetically engineered organisms;
  - (3) A.I.D.'s environmental procedures; and
  - (4) such other federal guidelines and procedures as may apply during the course of research.
- ii. All existing comparable guidelines of His Majesty's Government of Nepal must be followed also.
  - iii. Reports submitted under this activity to A.I.D will address the cited regulatory issues. All modifications of protocols affecting these regulatory concerns must be reported. The investigators are responsible for reporting any difficulties encountered in implementing these protocols.
- b. Humane Treatment of Experimental Animals
- i. Principals for the treatment of vertebrates: The grantee will adhere to the following principals for the utilization, care and transportation of vertebrate animals used in testing, research and training. For guidance throughout these principles, reference is made to the guide for the care and use of laboratory animals prepared by the Institute of Laboratory Animal Resources, National Research Council.
    - (1) Procedures involving animals should be designed and performed with due consideration of their relevance to human or animal health, the advancement of knowledge, or the good of society.
    - (2) The animals selected for a procedure should be an appropriate species and quality and the minimum number required to obtain valid results. Methods such as mathematical models, computer simulation and in vitro biological systems should be considered.
    - (3) Proper use of animals, including the avoidance or minimization of discomfort, distress, and pain when consistent with sound scientific practices, is imperative. Unless the contrary is established, investigators should consider that procedures that cause pain or distress in human beings may cause pain and distress in other animals.

- (4) Procedures with animals that may cause more than momentary or slight pain or distress should be performed with appropriate sedation, analgesia, anesthesia. Surgical or other painful procedures should not be performed on unanesthetized animals paralyzed by chemical agents.
  - (5) Animals that would otherwise suffer severe or chronic pain or distress that cannot be relieved should be painlessly killed at the end of the procedure, or, if appropriate, during the procedure.
  - (6) The living conditions of animals should be appropriate for their species and contribute to their health and comfort. Normally the housing, feeding and care of all animals used for biomedical purposes must be directed by a veterinarian or other scientist trained and experienced in the proper care, handling, and use of the species being maintained or studied. In any case, veterinary care shall be provided as indicated.
  - (7) Investigators and other personnel shall be appropriately qualified and experienced for conducting procedures on living animals. Adequate arrangements shall be made for their in-service training, including the proper and humane care and use of laboratory animals.
  - (8) Where exceptions are required in relation to the provisions of these principles, the decisions should not rest with the investigators directly concerned, but should be made, with due regard to U.S. and host country regulations, by an appropriate review group such as an institutional animal research committee. Such exception should not be made solely for the purpose of teaching or demonstration.
- ii. Applicable Regulations: The transportation, care and use of animals must be in accordance with the U.S. Animal Welfare Act (7 U.S.C. 2131 ET. SEQ.) and other applicable U.S. federal laws, guidelines, and policies. Notwithstanding, the research must be conducted following procedures issued by the government of the host country for the humane treatment of experimental animals.

- iii. Compliance with Reviewed Protocols: Research will be conducted following the protocols described in original proposal, as amended which insure the humane treatment of experimental animals.
- iv. Revision of Protocols: If any protocol involving the experimental animals is revised, it must be re-reviewed by the Principal Investigator's Institutional Review Committee(s) that approved the original protocol, and the Project Officer and the Office of the Science Advisor must be informed in writing before the revised protocol(s) is used. The revised procedures must be consonant with the guidelines of the country in which the animals are affected, and of the United States. Copies of the approval of the revised protocols by the investigator's Institutional Review Committees should also be provided to the Project Officer and the Office of the Science Advisor.

c. Environmental Hazards

Research will be conducted following the protocols described in the original proposal, as amended, which insure that there are no unacceptable environmental hazards incident to the research. Notwithstanding, the research must be conducted following A.I.D. environmental guidelines and those issued by the Government of the host country. If any protocol involving environmental hazard is revised, it must be re-reviewed by the investigator's Institutional Review Committee(s) that approved the original protocol, and the Project Officer and Office of the Science Advisor must be informed in writing before the revised protocols are used. The revised procedures must be consonant with the guidelines of the country in which the research is located, and of the United States. Copies of the approval of the revised protocols by the Principal Investigator's Institutional Review Committee(s) must also be provided to the Project Officer and the Office of the Science Advisor. In addition, however, and prior to commencement of any such activity which may create an environmental hazard, the grantee shall make a judgment and communicate the same to A.I.D. as to whether the regulations, procedures or facilities of the country in question are adequate to ensure the protection of the environment. In the event such judgment is that they are not, the grantee and A.I.D. will consult and agree on the conditions to be applied to the activity which will ensure environmental protection.

5. Standard Provisions

Project Officer approval required for "Air Travel and Transportation" is hereby granted for travel between the United States and all other countries described in the project description.

The Principal Investigator(s) and essential scientific staff of grantee and co-investigators of the collaborating institutions may not be changed during the life of the project without prior written approval of the Office of the Science Advisor.

TITLE : Ranching Mahaseer in the Himalayan Waters of Nepal (10.613)

AMOUNT : \$150,000

PERIOD : 5 years from the date of the agreement

INSTITUTION : Tribhuvan University (TU)

PRINCIPAL INVESTIGATOR : Dr. Tej Kumar Shrestha -  
Prof., Dept of Zoology, TU

CO-INVESTIGATORS : Mr. T.B. Karki, Reader  
Dept. of Zoology  
TU

Dr. T.P. Quinn  
Prof., School of Fisheries  
Univ. of Washington, Seattle  
WA 98195, U.S.A.

Mr. K.B. Karki (local consultant)  
Department of Agriculture  
Harihar Bhavan

DESCRIPTION : The overall aim of this project is to study migratory ecology, behavior and population dynamics of the mahaseer in order to develop practical ranching practices of the seriously endangered fish.

BUDGET FOR FIVE YEARS

1. Salary/honorarium/subsistence allowance	\$ 34,000
2. International travel: Principal Investigator	\$ 10,000
U.S. Co-investigator	\$ 10,000
Two U.S. Advisors	\$ 24,000
3. Equipment and Supplies	\$ 28,000
4. Construction of Spawning and Incubation Channel	\$ 14,000
5. Commodities (vehicle/spare parts)	\$ 18,000
6. Indirect Costs (fuel, postal, telex, maintenance, and environmental awareness education)	\$ 12,000
TOTAL	<u>\$150,000</u>