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A.I.D. Project Number 498-0249

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE PEOPLE'S REPUBLIC OF BANGLADESH
AND THE
UNITED STATES OF AMERICA
FOR THE
1978 LAND OCCUPANCY SURVEY

Dated: January 06, 1978

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Memorandum of Understanding

Dated: January 06, 1978

Between The People's Republic of Bangladesh ("Grantee")

and

The United States of America, acting through the

Agency for International Development ("U.S.A.I.D.")

Article 1 : The Memorandum of Understanding

The purpose of this Memorandum is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described herein, and with respect to the financing of the Project by the Parties.

Article 2 : The Project

SECTION 2.1 Definition of Project. The Project, which is further described in Annex 1, will consist of a nationwide sample survey to define the contemporary hierarchy of interests in land in Bangladesh and to determine the nature of both traditional and modern processes that are changing the relationship of people to the land. Annex 1, attached, amplifies the definition of the Project contained in this Section 2.1. Within the limits

of the definition of the Project in this Section 2.1 elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 5.2 without formal amendment of this Memorandum of Understanding.

Article 3 : Financing

SECTION 3.1 The Grant. To assist the Grantee to meet the costs of carrying out the Project, U.S.A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant the Grantee under the terms of this Memorandum not to exceed ninety six thousand United States (U.S.) Dollars (96,000) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 4.1 and local currency costs as defined in Section 4.2 of goods and services required for the Project, except that, unless the parties otherwise agree in writing, Local Currency Costs financed under the Grant will not exceed the equivalent of seventeen thousand U.S. Dollars (\$17,000).

SECTION 3.2 Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by the Grantee for the Project will be not less than the equivalent of U.S. \$30,000, including costs borne on an "in-kind" basis.

SECTION 3.3 Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is June 30, 1979, or such other date as the Parties may agree to in writing, is the date by which the parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Memorandum.

(b) Except as U.S.A.I.D. may otherwise agree in writing U.S.A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Memorandum subsequent to the PACD.

(c) Requests for disbursements, accompanied by necessary supporting documentation are to be received by U.S.A.I.D. no later than three (3) months following the PACD, or such other period as U.S.A.I.D. agrees to in writing. After such period, U.S.A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation were not

received before the expiration of said period.

Article 4 : Procurement Source

SECTION 4.1: Foreign Exchange Costs. Disbursements pursuant to Section 5.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Book) except as U.S.A.I.D. may otherwise agree in writing.

SECTION 4.2: Local Currency Costs. Except as U.S.A.I.D. may otherwise agree in writing, disbursements pursuant to Section 5.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and their origin in Bangladesh.

Article 5 : Disbursement

SECTION 5.1 Disbursement for Foreign Exchange Costs.

The Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Memorandum, by submitting to U.S.A.I.D., with necessary supporting documentation as prescribed in Annex 1 requests for U.S.A.I.D. to procure commodities or services in Grantee's behalf for the Project.

SECTION 5.2 Disbursement for Local Currency Costs.

The Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Memorandum, by submitting to U.S.A.I.D., with necessary supporting documentation as prescribed in Annex 1 requests to finance such costs.

SECTION 5.3 Other Forms of Disbursements.

Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

Article 6 : Miscellaneous

SECTION 6.1 Communications: Any notice, request, document or other communication submitted by either Party to the other under this Memorandum will be in writing or by telegram or cable, and will be deemed; duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address: Secretary, Statistics Division
Ministry of Planning
Room 12, School Building
Bangladesh Secretariat
Dacca

To U.S.A.I.D.:

Mail Address: U.S.A.I.D.
G.F.C. 323
Ramna, Dacca - 2

SECTION 6.2: Representatives. For all purposes relevant to this Memorandum the Grantee will be represented by the individual holding or acting in the office of Secretary, Statistics Division and U.S.A.I.D. will be represented by the individual holding or acting in the office of Director, USAID Bangladesh, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1.

SECTION 6.3 Termination. Either Party may terminate this Memorandum of Understanding by giving the other Party **thirty** (30) days written notice. Termination of this Memorandum will terminate any obligations of the Parties to provide financial or other resources to the Project pursuant to this Memorandum except for payments which they are committed to make pursuant to non-cancellable commitments entered into with third parties prior to the termination of this Memorandum. In addition, upon such termination A.I.D., may, at A.I.D.'s expense, direct that title to goods financed under the Grant be transferred to A.I.D. if the goods are from a source outside Grantee's country, are in a deliverable state and have not been offloaded in ports of entry of Grantee's country.

SECTION 6.4 Refunds.

(a) In the case of any disbursement which is not supported by valid documentation in accordance with this Memorandum, or which is not made or used in accordance with this Memorandum, or which was for goods or services not used in accordance with this Memorandum thereupon A.I.D. notwithstanding the availability or exercise of any other remedies under this Memorandum, may require the Grantee to refund the amount of such disbursement in U.S. dollars to A.I.D. within sixty (60) days after receipt by the Grantee of a request therefor from A.I.D.

(b) If the failure of Grantee to comply with any of its obligations under this Memorandum has the result that goods or services financed under the Grant are not used effectively in accordance with this Memorandum, A.I.D. may require the Grantee to refund all or any of the amount of the disbursements under this Memorandum for such goods or services in U.S. dollars to A.I.D. within sixty (60) days after receipt by the Grantee of a request therefor from A.I.D.

(c) The right under subsection (a) or (b) to require a refund of a disbursement will continue, notwithstanding any other provision of this Memorandum, for five (5) years from the date of the last disbursement under this Memorandum.

(d) (1) Any refund under subsection (a) or (b), or (2) any refund to A.I.D. from a contractor, supplier, bank or other third party with respect to goods or services financed under the Grant, which refund relates to an unreasonable price for or erroneous invoicing of goods or services, or to goods that did not conform to specifications, or to services that were inadequate, will (a) be made available first for the cost of goods and services required for the Project, to the extent justified, and (b) the remainder, if any, will be applied to reduce the amount of the Grant.

(e) Any interest or other earnings on Grant funds disbursed by A.I.D. to the Grantee under this Memorandum prior to the authorized use of such funds for the Project will be returned to A.I.D. in U.S. dollars by the Grantee.

SECTION 6.5 Assignment. The Grantee agrees, upon request to execute an assignment to A.I.D. of any cause of action which may accrue to the Grantee in connection with or arising out of the contractual performance by a third party to a U.S. dollar contract financed in whole or in part of funds granted by A.I.D. under this Memorandum.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative have caused this Memorandum of Understanding to be signed in their names and delivered as of the day and year first above written.

THE PEOPLE'S REPUBLIC OF
BANGLADESH

THE UNITED STATES OF
AMERICA

By: A.K.M. Ghulam Rabbani
Title: Secretary, Statistics
Division, Ministry of
Planning

By: Joseph S. Toner
Title: Director,
USAID/Bangladesh

PROJECT DESCRIPTION1978 Land Occupancy Survey1. Introduction

The purpose of the Land Occupancy Survey is to define the contemporary hierarchy of interests in the land in Bangladesh and to determine the nature of both the traditional and modern processes that are changing the relationship of people to land.

The first round of the Land Occupancy Survey was conducted in March and April 1977 under a Memorandum of Understanding dated January 26, 1977 between the Statistics Division, Ministry of Planning and USAID. The tabular findings of the survey were presented in "Summary Report of the 1977 Land Occupancy Survey of Rural Bangladesh" compiled under the direction of A.K.M. Ghulam Rabbani, James T. Peach and F. Tomasson Jannuzi.

The 1978 Land Occupancy Survey will adhere to the same sample design and sample size as well as the same set of concepts and definitions as were developed for, and employed in, the 1977 Survey. The 1978 Survey will, in addition, address new variables. The 1978 Survey will generate data on the degree to which new inputs (i.e. HYV seeds, fertilizer, irrigation pumping and water and pesticides) are being utilized by the various strata of the agrarian hierarchy. The 1978 Survey will also attempt to

isolate and identify changes in proportion of strata within the agrarian hierarchy which would confirm, for example, changes in the number of land owners, owner managers, tenants and landless persons. The 1978 Survey will also identify variations in cropping intensity as practiced by various stratum of the agrarian hierarchy and, finally, estimate the returns to labor by kind of crop (traditional paddy, HYV paddy, wheat, jute and other cash crops) and by kind of farm operation (owner manager, owner cultivator, tenant, owner cum tenant).

2. Variables to be Addressed in the 1978 Survey

The Survey will explore the utilization in Bangladesh of its new technology in agriculture. The Survey will address specific groups in the agrarian hierarchy: large land owner (managers), medium land owner (managers), land owner-cultivators, owner cum tenants, tenants, and landless farmers. The Survey will provide data concerning the degree to which these strata utilize elements of the new technology including the following: (a) seeds (rice, both local and HYV, wheat and vegetables); (b) fertilizers; (c) irrigation facilities (deep tubewells, shallow tubewells, low lift pumps, handpumps, traditional lift pumps, etc.); and (d) pesticides.

The Survey will provide data concerning the source and cost of credit utilized to finance traditional and HYV inputs and whether

such credit was provided in-kind or in cash. Finally, the Survey will provide data as to the source from which inputs, both traditional and HYV, are procured, e.g. local dealers, government supply outlets, cooperatives, etc.

3. The 1978 Land Occupancy Survey (LOS) will consist of the several major elements identified below: The responsible parties are indicated in parentheses.

A. Design of the survey and questionnaire (Statistics Division and USAID consultants).

B. Pre-testing of the LOS questionnaire and subsequent redesign (Statistics Division and USAID consultants).

C. Design of specialized computer programs for required analyses. (USAID consultant).

D. Train the field enumerators (USAID consultants).

E. Administration of LOS questionnaire (Statistics Division)

F. Tabulation and compilation of LOS data (Statistics Division)

G. Preparation of 1978 LOS report (Statistics Division and USAID consultants).

4. Administrative Arrangements and Estimated Costs.

A. The USAID agrees to secure and fully finance the services of two qualified U.S. consultants for the approximate period of six work months each to perform the work indicated in para 3., above. The consultants will be employed in Bangladesh for the approximate

period, January through October, 1978 and the estimated total cost will be \$62,000.

B. The Statistics Division agrees to provide its interview staff to administer the questionnaire; its supervisory and professional staff for the preparation of the questionnaire; and the services of its data tabulation, compilation and computer programming staffs for the processing of LOS data. The recurrent costs of these staff services is estimated to be Taka 455,000 (or approximately \$30,000). This sum represents the Statistics Division's in-kind contribution to the 1978 LOS.

C. The USAID agrees to finance the non-recurrent expenditures of the Statistics Division including the cost of field per diem, travel and other expenses. The estimated total cost of these non-recurring expenses is Taka 255,000 or \$17,000. From time to time the Statistics Division will provide the USAID with an estimate of non-recurring expenses which it will incur in the performance of the LOS. USAID will advance these funds in a Taka check to the Statistics Division. The Statistics Division will provide the USAID with an accounting, in a format to be established by USAID, of the Taka funds so advanced prior to the issuance of each subsequent advance up to the limit of \$17,000 (or approximately Taka 255,000) specified above, with the \$US dollar amount prevailing as the limit.

D. In consideration of the cost of operating computer facilities and in consideration of the expendable supplies which will be utilized or consumed in the course of the LCS, the USAID agrees to procure U.S. source and origin computer software and expendable supplies up to a limit of \$17,000 inclusive of all costs. A list of such supplies and materials will be prepared by the Statistics Division. These supplies will be ordered and consigned to USAID and transferred to the Statistics Division upon receipt.

E. The financial contributions in cash and in-kind are summarized below:

<u>Cost Component</u>	<u>Statistics Division</u>	<u>(Taka converted to U.S. dollar equivalent)</u>	
		<u>USAID</u>	<u>Total</u>
1. Consultant Services		62,000	62,000
2. Recurrent Expenditure \$30,000 of Statistics Division staff			30,000
3. Non recurrent expend- iture of Statistics Division Staff		17,000	17,000
4. Expandable supplies and materials		<u>17,000</u>	<u>17,000</u>
5. Total :	\$30,000	\$96,000	\$126,000