



PROJECT IMPLEMENTATION AGREEMENT (PIA)

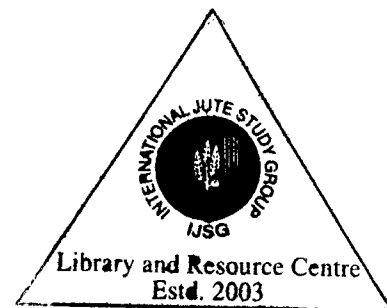
**Study into the Residual Silica/Silicates in the Raw Jute
and the Scope for Elimination/Reduction
(CFC/IJSG/23FT)**

BETWEEN

**INTERNATIONAL JUTE STUDY GROUP
145, Monipuripara, Tejgaon
Dhaka 1215, Bangladesh**

AND

**BANGLADESH JUTE RESEARCH INSTITUTE
Manik Mia Avenue
Dhaka 1207, Bangladesh**



Funded by

THE COMMON FUND FOR COMMODITIES (CFC)

**Study into the Residual Silica/Silicates in the Raw Jute and
the Scope for Elimination/Reduction
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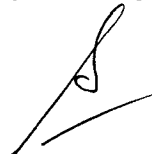
BETWEEN

INTERNATIONAL JUTE STUDY GROUP, an Inter-governmental Organisation having its Headquarters at 145, Monipuripara, Tejgaon, Dhaka 1215, Bangladesh, hereinafter called "**IJSG**" which expression shall mean and include its successors and successors-in-interest.

AND

BANGLADESH JUTE RESEARCH INSTITUTE, a Research Institution established under the provisions of the BJRI Act, 1974 and having its Headquarters at Manik Mia Avenue, Dhaka 1207, Bangladesh hereinafter called "**BJRI**" which expression shall include its successors and successors-in-interest.

1. WHEREAS IJSG formulated a project proposal entitled "Study into the Residual Silica/Silicates in the Raw Jute and the Scope for Elimination/Reduction" for making an in-depth study on the presence of Silica/Silicates in raw jute and suggesting possible measures for its removal/reduction to its minimum allowed level.
2. WHEREAS the said project proposal was approved by the Committee on Projects (COP) of the IJSG at its Fifth meeting held on 16-17 February, 2005.
3. WHEREAS an AGREEMENT (referred to as the "Project Agreement") between the IJSG and the Common Fund for Commodities (CFC) has been signed whereby CFC will provide a Grant up to USD 34,000 (Thirty four thousand United States of America Dollar) for implementation of the Project as per terms and conditions laid down in the Project Agreement, and in a document (referred to as the "Project Document") annexed to the Project Agreement, describing the Project in detail.
4. WHEREAS the studies comprised by the Project shall be undertaken by BJRI and the Indian Jute Industries' Research Association, Kolkata (referred to as "IJIRA") as Participating Institutions (as defined in the Project Agreement) subject to the terms and conditions of the Project Agreement and the Project Document, under the overall supervision and instruction of the IJSG.



5. WHEREAS an equal portion of the CFC's Grant i.e. an amount up to USD 17,000 (Seventeen thousand United States of America Dollars) is envisaged to be allocated to BJRI such upon the basis of an accepted Work Programme and Budget etc. for coverage of Eligible Expenditures (as defined in the Project Agreement) as per the Project Document.
6. WHEREAS BJRI shall make available for the Project, committed contributions (Referred to as the 'BJRI Contribution') in kind corresponding to an aggregate value equivalent to USD 3,000 (Three thousand United States of America Dollars) (as BJRI & IJIRA are to collectively contribute US\$ 6,000) as specified in the Project Document and Project Agreement.
7. WHEREAS copies of the Project Agreement and the Project Document have been made available to BJRI.
8. WHEREAS the activities to be undertaken under the Project are to be completed on or before 31 March 2006.

THE PARTIES AGREED AS FOLLOWS:

1. BJRI shall be responsible for implementing those Project activities (referred to as the "BJRI Project Activities") ascribed/allocated to BJRI in the Project Document, within the time schedule as per the terms and conditions of this Agreement.
2. BJRI shall submit a work plan with time schedule for the BJRI Project Activities in reasonable details, activity wise budget break-up and bank details of a designated bank account (with signatures of the authorised operators of the account) to the IJSG in order to receive payments from the CFC Grant through IJSG for implementation of the BJRI Project Activities.
3. The aggregate amount receivable by BJRI from the CFC Grant under this Agreement shall not exceed USD 17,000 (Seventeen thousand United States of America Dollars).
4. The activities to be carried out by BJRI under this Agreement are to be completed within the earlier of 31 March 2006 and the date falling 6 (six months) from the date of entry into force of this Project Implementation Agreement.



5. BJRI shall submit an interim report within 105 days from the date of the commencement of the Project reflecting the progress and results achieved under the BJRI Project Activities during the first 3 (three) months, and a Final Report not later than 15 (fifteen) days following the completion of the Project containing all the results achieved under the BJRI Project Activities as per prescribed format.
6. BJRI shall submit to the IJSG financial reports immediately after 3 months of implementation of the Project and within 2 (two) weeks upon completion of the Project as per the terms and conditions of the Project Document and the Project Agreement.
7. Each financial report shall contain a statement of the expenditures incurred by the BJRI Project Activities during the period of its implementation certified by an authorised representative of BJRI.
8. In the implementation of the Project, BJRI shall ordinarily abide by the general financial and administrative guidelines of the Government of Bangladesh except in cases where specific guidelines are communicated by IJSG to BJRI.
9. BJRI shall maintain all accounts and keep all original records/vouchers, which shall be made available to IJSG if required, and shall be retained by BJRI till the final audit of the Project is over.
10. BJRI shall duly provide the BJRI Contribution in kind (in the form of an itemwise statement) in accordance with the terms of the Project Agreement and the Project Document.
11. BJRI shall inform IJSG of the name and designation of the focal point scientist to be responsible for carrying out BJRI Project Activities and preparing reports and other related documents.
12. BJRI shall ensure that all proceeds of the CFC grant received through IJSG under this Agreement are applied exclusively to the financing of Eligible Expenditures incurred under the BJRI Project Activities in accordance with this Agreement, the Project Agreement and the Project Document.
13. BJRI shall ensure that the activities comprised by the BJRI Project Activities are carried out with due regard for environmental factors. To this effect, BJRI shall ensure that all fuels, chemicals and processes financed from proceeds of the Grant meet the applicable environmental regulations.

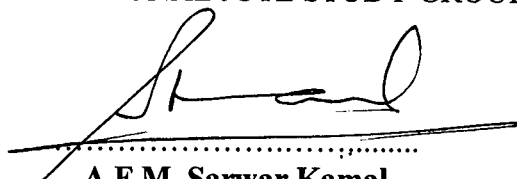


14. BJRI shall facilitate to the extent that may be required for monitoring and evaluation undertaken by IJSG and provide any data to facilitate the work of monitoring, supervision and evaluation of the Project.
15. BJRI shall extend all cooperation to IJSG to ensure timely implementation of the Project as per this Project Implementation Agreement.
- ✓ 16. The IJSG shall have the right to terminate this Agreement upon written notice to BJRI, if either:
 - (a) BJRI breaches any terms and conditions of this PIA or otherwise fails to implement the BJRI Project Activities according to the Work Plan and Time Schedule,
 - (b) the Progress Reports are not in accordance with the Work Plan for the BJRI Project Activities or otherwise unsatisfactory to the IJSG, or
 - (c) a notice of termination of the Project Agreement has been given by IJSG or the CFC.
17. In the event of any dispute or difference arising out of this Agreement, the Parties will try to mutually resolve the same and in default thereby the same will be referred to the Sole Arbitrator, the Chairman of the Council of the IJSG. The procedure of the arbitration shall be fixed by the Arbitrator. The Arbitration award shall contain a statement of reasons on which it is based and shall be accepted by both the parties as the final adjudication of the dispute.
- ✓ 18. The CFC shall have the exclusive right to the publication, in whatever form, of the results and technical outputs of the Project.
19. Method of Payment: An advance of US\$ 10,000 (US Dollar Ten thousand) will be disbursed by the IJSG Secretariat to BJRI upon receipt of Work plan, Budget break-up and Bank details. Additional fund up to US\$ 7,000 (US Dollar Seven thousand) will be disbursed on the basis of actual requirement for completion of the BJRI Project Activities. BJRI shall refund any and all unspent amounts to IJSG.
20. This Agreement shall enter into force upon signing by both parties.



IN WITNESS WHEREOF the undersigned have, on behalf of the respective Parties, signed this Agreement in triplicate at the places and on the dates indicated below:

For the INTERNATIONAL JUTE STUDY GROUP (IJSG)



A.F.M. Sarwar Kamal
Secretary General

Dhaka, 05 October, 2005

Place and date

Address : 145, Monipuripara, Tejgaon
Dhaka 1215, Bangladesh

For the BANGLADESH JUTE RESEARCH INSTITUTE (BJRI)



Md. Abdus Satter
Director General

Dhaka, 05 October, 2005

Place and date

Address : Manik Mia Avenue
Dhaka 1207, Bangladesh