

INTERNATIONAL CENTRE FOR INTEGRATED MOUNTAIN DEVELOPMENT

ICIMOD

LETTER OF AGREEMENT

BETWEEN

INTERNATIONAL CENTRE FOR INTEGRATED MOUNTAIN DEVELOPMENT
(ICIMOD)

AND

KATHMANDU UNIVERSITY (KU)

FOR

SOUTH ASIA WATER INITIATIVE (SAWI) MULTI DONOR TRUST FUND'S
ABU DHABI DIALOGUE (ADD) SMALL GRANTS PROGRAM (SGP)



This Letter of Agreement (LoA) is entered between the International Centre of Integrated Mountain Development (ICIMOD) and the Kathmandu University, hereafter referred to as Grantee.

WHEREAS, the International Centre for Integrated Mountain Development (hereafter referred to as ICIMOD), founded by the eight Hindu Kush-Himalayan (HKH) countries of Afghanistan, Bangladesh, Bhutan, China, India, Myanmar, Nepal and Pakistan and incorporated in Nepal under an Act of Parliament in the year 1983 as a regional research and development agency, has been working towards sustainable mountain development in the HKH region and its mission being to help promote the development of an environmentally and economically sound mountain ecosystem, contribute to sustainable management of water resources and flood risk reduction and to improve the living standards of mountain populations in the HKH region.

WHEREAS, Kathmandu University is an autonomous, not-for-profit, non - government institution dedicated to maintain high standards of academic excellence. It is committed to develop leaders in professional areas through quality education. At present, the University offers various undergraduate, graduate and postgraduate programs in science, engineering, medicine, management, education, arts, pharmacy, environment, music, human & natural resources, information technology and biotechnology through School of Science, School of Management, School of Engineering, School of Medical Sciences, School of Education and School of Arts.

THE PARTIES:

International Centre for Integrated Mountain Development (ICIMOD)

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P.O. Box 6250 Kathmandu, Nepal
Contact Person: Dr. Rijan Bhakta Kayastha
Telephone: +977 98511 35939
E-mail: rijan@ku.edu.np

ARTICLE I THE PARTIES AGREE ON THE FOLLOWING ASSIGNMENT

Title of the Research: Case studies of impacts of climate change on hydrological regime in Nepal, India and Afghanistan

Time period of work

& validation of agreement: 12 months upon signing of the agreement



Activities: The work shall be carried out according to the attached ToR (Annex1)

Progress Report:

The following reports shall be delivered:

- a) Technical Report
- b) Financial Report

Table 1: Reporting requirements and deadline

<i>Report</i>	<i>Due Date</i>	<i>Report requirements</i>
1st Technical and financial report	15 days after the 1 st trimester	As per format (annexes 3 and 4)
2nd Technical and financial report	15 days after the 2 nd trimester	As per format (annexes 3 and 4)
Consolidated final technical and financial report	15 days after the 3 rd trimester	As per format (annexes 3 and 4)

Technical Research Report: The lead grantee is responsible for submitting the following reports and maintaining the quality control measure

1. The lead grantee will follow the comments and suggestions of the assigned reviewers
2. The lead grantee will be responsible for the quality of the research output
3. The lead grantee will deliver the final output of the research adhering to research guidelines of ICIMOD within the given time frame and in alignment of the approved budget

ARTICLE II DISBURSEMENT OF FUNDS

The total amount payable under this agreement is USD 67,200. Funds will be disbursed in three installments. The first installment of 40% of the total grant will be released after the sub-grant agreement is signed off. Upon receipt of the technical and financial reports and the recommendation by the Grants Coordinator, the second installment of 40% will be released after six months. The last installment of 20% will be released after the submission of the final technical/financial report of the project, which should be acceptable to ICIMOD.

OTHER TERMS AND CONDITIONS

Article III The Grantee will carry out the assignment with due diligence and efficiency and in accordance with sound economic, financial, and managerial practices satisfactory to the World Bank and ICIMOD, including in accordance with the provisions of the World Bank's Anti-

Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient.

- Article IV The Grantee will organise the necessary research and support staff and provide logistic support for information gathering, analysis and report writing etc. Grantee will be solely responsible for analysis and interpretation of all data received and for its findings, conclusions and recommendations.
- Article V The Grantee will undertake full responsibility in respect to any loss, injury or damage arising from the execution of work.
- Article VI Neither the Grantee, or anyone whom he may employ to carry the work, is to be considered as an agent or member of the staff of ICIMOD, and except as otherwise provided herein, he shall not be entitled to any privileges and immunities, nor is he authorised to commit ICIMOD to any expenditure or other obligations.
- Article VII The Grantee and ICIMOD will have equal and free access to the data/information generated by the study.
- Article VIII (i) Copyright and any other proprietary right with respect to the manuscript and each and any related part thereof, with the exception of any material already subject to copyright or other proprietary rights, shall be vested exclusively in ICIMOD.
- (ii) As from the date of acceptance of the manuscript and each and any related part thereof, ICIMOD shall in all countries, subject only to the exception referred to in (i) above, shall have all rights whatever in the manuscript, including, without any limitation thereby, the right to use, edit, print, publish all, or part, of the manuscript in any form in any language.
- (iii) ICIMOD may assign any or all of its rights to third parties upon such terms as it may decide.
- Article IX ICIMOD will publish the findings of the research in an appropriate manner and due credit will be given to the South Asia Water Initiative (SAWI) as financier and all contributors of the program. The lead Grantee will be responsible for preparing the manuscript for the paper, which will be drawn from the main report. Prior to publication, ICIMOD will assure the quality of the publication through its established Publications and Outreach Committee (POUT) policy. ICIMOD shall not be bound to publish the manuscript(s) or materials delivered under this Agreement. If ICIMOD decides not to publish the manuscript(s) or materials delivered under this Agreement, publication elsewhere by the Grantee is subject to receipt of written authorisation from ICIMOD.



Article X The Grantee shall specify any material contained in the manuscript (including illustrations, maps and graphs) which is already subject to copyright or some other proprietary right and hereby warrants that he has obtained authorisation to use such material from the owner or owners of such rights or their legal representatives. Any payments that the Grantee may be required to make in consideration for authorisation to use such material shall be borne by the Grantee.

Article XI The Grantee shall hereby warrant that the manuscript does not contain any libellous or otherwise unlawful matter.

Article XII If any claim against ICIMOD, its official or agents should arise out of the breach of any of the warrants made by the Grantee pursuant to Article IX and X above, the Grantee shall be responsible for setting such claims and shall indemnify ICIMOD, its officials or agents as a result of a breach of the aforementioned warranties.

Article XIII Any dispute arising out of the terms of this Agreement shall be submitted to arbitration. Each party shall appoint one arbitrator and the two arbitrators so appointed shall appoint a third who shall act as Chairman. In the event of the two arbitrators appointed by the parties to the dispute should fail to reach an agreement on the appointment of the third arbitrator within 30 days, either party may request the independent Chairman of the ICIMOD Board to appoint a third arbitrator. The parties agree that any decision rendered by the arbitrators shall be accepted as the final adjudication of the disputes.

Article XIV FINANCIAL MANAGEMENT AND CONTROL

- The Grantee is required to ensure that the financial management system is maintained and financial statements are prepared in accordance with consistently applied accounting standards acceptable to ICIMOD, both in a manner adequate to reflect the operations, resources and expenditures related to the project.
- The Grantee is required to ensure that grant proceeds are used to finance only eligible expenditures as specified in the Operational Guidelines for the program and approved project budget.
- The Grantee is required to furnish its financial statement to ICIMOD in the agreed format not later than 15 days after the end of each calendar trimester. The statements shall be signed and certified by the responsible authority. The financial report shall be in the format provided in Annex 4.
- If required, the financial statements submitted by the Grantee are subject to audit by ICIMOD auditors any time during the course of the project. Information on the requirements of audit and the schedule of audit will be provided in advance to the Grantee.
- The Grantee is obliged to immediately inform ICIMOD if irregularities in the management of funds are seen or occurred.
- The Grantee shall keep all the vouchers and other documents for the entire project period and make all vouchers and documents available to



ICIMOD if and when required. The accounts should be kept in accordance to the accepted accounting practices of ICIMOD. The Grantee is not authorized to change or exceed the budget line items (expenditure category) without prior approval from ICIMOD. The total budget amount cannot be exceeded and should be used as per the agreed purpose indicated in the attached TOR.

- No offer, payment, consideration or benefit of any kind, which could be regarded as an illegal or corrupt practice (direct or indirect), shall be made, promised, sought or accepted as an inducement or reward in relation to activities funded under this agreement, including tendering awards or execution of contracts. Any such practice will lead to immediate cancellation of the agreement and additional action, civil and /or criminal, as may be appropriate.
- ICIMOD may suspend or terminate the right of the Grantee to use the proceeds of the sub-grant, or obtain a refund of all or any part of the amount of the sub-grant then withdrawn, upon the Grantee's failure to perform any of its obligations under this agreement.

ARTICLE XV


Government institutions are allowed to apply for the grants unless they are ineligible or are not permitted or authorized under their charter or some governmental rule. By signing this agreement, the Grantee represents that it is authorized to enter into this agreement. This agreement shall become effective when both parties have signed it.

Two originals of the text of this agreement have been signed of which the parties have taken one each.

ICIMOD

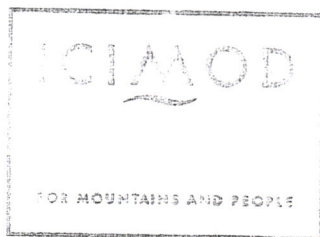
Kathmandu University- Lead Grantee


.....
Director General


.....
Prof. Dr. Bhadra Man Tuladhar
Registrar

Date

Date *December 28, 2011*



ANNEX 1: TERMS OF REFERENCE

The general objective of the project is to generate knowledge on the hydrological regime of the glacierized river basins of the Hindu Kush-Himalaya (HKH) region.

The specific objectives are:

- i. to find out the current status of the hydrological regime in the three sub-basins in Afghanistan, India and Nepal,
- ii. to develop methodologies based on appropriate glacio-hydrological models with positive degree-day and energy balance model for snow and ice, and
- iii. to use the models, after testing for their performance, to predict water availability in the years 2020 and 2030.

The project is expected:

- i. to report on the status of hydrological regime in the three sub-basins of Afghanistan, India and Nepal,
- ii. to predict future climate scenarios and their impacts on water availability in those sub-basins, and
- iii. to contribute to capacity-building by training six researchers in those countries in glacio-hydrological modeling. The project will also report on the policy implications of its findings for water resource planning for sustainable development.

Please see the revised proposal submitted by the lead grantee for further details.

ANNEX 2: Project Operational Plan by Activities and Deliverables

Activities	Deliverables	Time Line
Inception workshop	Workshop report	January 2012
Literature review and acquisition of data	Status of past studies and data	January-February 2012
Analysis of hydrologic and climate data	Status of hydrologic and climatic regime	February- March 2012
First field visit	Field report	February- March 2012
Model selection and calibration	Working model	April 2012
Generation/acquisition of downscaled climate data	Future climate data	April-May 2012
Training on Glacio-hydrological Model (Nepal)	Knowledge of glacio-hydrological models	May 2012
Mid-term results sharing workshop (India) and	Workshop report	May-June 2012

submission of mid-term report		
Second field visit	Field report	July 2012
Prediction of future water availability	Future discharge scenarios	July-August 2012
Third field visit	Field report	September 2012
Draft final report	Draft final report	October 2012
Workshop for report finalization and dissemination (Nepal)	Workshop report	October-November 2012
Submission of final report	Final project report	December 2012

Budget Breakdown by Expenditure Category

Expenditure Category	Estimated Budget (USD) KU- Lead
Staff costs for non-government employees	14100
Partners (Contract consultant fees)	
Travel and transportation costs	9600
Equipment rental and hiring	2000
Materials, supplies and services for research workshops, meetings and networking	24500
Publication, dissemination and communication	2000
Other indirect costs (need budget justification notes)	15000
Total	67200

NOTE: The total grant awarded is USD 98,200 out of which Kathmandu University has been awarded USD 67,200. The lead grantee will be furnished with a copy of the Letter of Agreement between ICIMOD and Sharda University. Please see Article I for details on the responsibility of partners.

Handwritten signature/initials

ANNEX 3: Project Reporting and Monitoring

The project progress shall be reported and monitored in accordance with the Logical Framework (Annex 2) and the Reporting Requirements (ARTICLE I). The reporting has two components (1) reporting the status of the project planned activities and outputs and (2) verified financial expenditure statements. The project partner shall submit report to the Grants Coordinator, based at ICIMOD in Kathmandu, Nepal, following the reporting format that is provided below.

Project Progress Report

The project progress report provides the current status of the project as well as any changes that are made to the planned activities. A project progress report should follow the main heading from the project component mentioned in the LOA. In addition to the progress made for each project activity the points listed below should be addressed within the scheduled reporting plan of the project. Any other additional information should be submitted as appendices. Project progress reports, as well as all supporting documents, should be submitted as hard copies and also as electronic copies to the project coordinator

A Progress Report should contain the following information:

Project Title:

Reporting Period:

Summary

1. Introduction and Background of the Project
2. Project Implementation Process and Approach
3. Project Activities Undertaken during the Reporting Period (refer to LOA)
4. Any changes (e.g. different approach used to implement project activities, delays, etc.), including justification for changes and corrective actions to minimize or avoid further changes or delays
5. Completed Activities in accordance with LOA
6. Future Steps
7. Problems and Recommendations
8. Annexes: Activity Reports

