



Integrated Livelihood Support Project (IFAD-ILSP)

**Uttarakhand Gramya Vikas Samiti , Rural
Development Department, Uttarakhand
Government**



Request for Proposals (RFP) For innovative and viable Action Research Projects From organisations seeking support from UGVS, Uttarakhand under the “Challenge Fund” of Integrated Livelihood Support Project (ILSP)

**Date of Issue: July 19, 2015
Closing Date: August 10, 2015**

(Reference No. RFP/IFAD-ILSP/2015/xxx)

This RFP consists of three Sections as described below

Section I

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Section II

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4. Format for Proposal writing (*Annexure 3*)
5. Declaration (*Annexure 4*)

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Section I

- *Letter of Invitation*
- *Guidelines for Proposal Writing (Annexure 1)*

Letter of Invitation

Subject :Letter of Invitation of proposals from interested and competent institutions/ agencies on field oriented Action research to enhance livelihood of rural poor of Uttarakhand seeking support from UGVS under the Challenge Fund of Integrated Livelihood Support Project (ILSP).

Dear Sir/Madam

Uttarakhand Gramya Vikas Samiti (UGVS) is implementing Component 1 (*Food Security and Livelihood Enhancement*) of Integrated Livelihoods Support Project, supported by the Government of Uttarakhand and the International Fund for Agricultural Development (IFAD). ILSP is being implemented in selected villages of 37 blocks (17 Ex-ULIPH blocks and 21 new blocks (one block is common) of Uttarakhand in nine districts namely Uttarkashi, Chamoli, Tehri, Almora, Bageshwar, Rudraprayag, Pithoragarh, Pauri and Dehradun.

The action research by the Agencies is required for a period of maximum two years during which period the agency will ensure logical conclusions with clear viability of up scaling by the targeted beneficiaries of the project. UGVS will seek proposals in two phases. In the first phase, UGVS is seeking proposals only on selected themes given below.

- 1 *Various methods of protection of crops from damage by wild animals.*
- 2 *Development of Rural Eco Tourism model to bridge social, cultural, environmental and other aspects of people in India and abroad for livelihood promotion of hill community*
- 3 *Youths' Functional Vocational Training through Mentoring especially for school dropout*
- 4 *Improving practices in traditional crops*
- 5 *Commercial Production Model of Medicinal and Aromatic Plants like Bhangjeera (Perillafrutescense) covering its value addition, product development and Market linkages.*
- 6 *Improved seeds production and preservation especially of Tomato / potatoes / pea/Quinoa (Chenopodium) and others premium varieties*
- 7 *Introduction of fodder crops/species suiting to hills conditions*
- 8 *Efficient micro irrigation to promote commercial vegetable cultivation*
- 9 *Improved milk bi-products for premium returns on investments*
- 10 *Rabbit rearing for wool and meat production for domestic/export*

A list of all the themes is given in Annexure 1 for your information. A brief summary of the project and the proposed assignment is available at www.ugvs.org and www.ilsp.in .

Interested agencies may submit their expression of interest along with Technical and Financial proposals as per the **Section II in a sealed envelope** on or before **10-08-2015** to **“The Project Director, Uttarakhand Gramya Vikas Samiti (UGVS), 216, Phase-II, Panditwari, Dehradun, Uttarakhand.”**

It is not permissible to transfer this invitation to any other organization.

The agencies choosing to submit their proposal would need to understand that their application would be assessed as per the information stated in Section I of RFP.

The agencies offering and agreeing to offer services at the lowest rates will be considered for the assignment. **UGVS is not bound to select any or all of the agencies submitting the proposals and reserves the right of rejection of all proposals without assigning any reason thereof.**

The proposals in the prescribed format are to be submitted in sealed envelope labelled **“Technical and Financial Proposal for Innovative Action Research under Challenge Fund of ILSP”** by 5 pm on or before **10 August 2015**

Yours sincerely,

Project Director,
UGVS - ILSP

List of Documents:

1. Annexure 1– Guidelines for Proposal Writing
2. Annexure 2- Cover letter for submitting the Technical and Financial Proposal
3. Annexure 3- Format for proposal writing
4. Annexure 4 - Declaration
5. Annexure 5–About the project
6. Annexure 6- Proposed draft MoU

GUIDELINES FOR PROPOSAL WRITING

INTEGRATED LIVELIHOOD SUPPORT PROGRAM

CHALLENGE FUND FOR INNOVATION

1. PROJECT FOCUS ON INNOVATION & NEW TECHNOLOGY

Inclusion of innovation and new technologies in the project is vital to an overall program having multiple interventions meant for households and their communities aspiring to improve the quality of life with incremental contributions made to their social wellbeing and economic growth.


Overall goal and objectives of ILSP which is “to reduce poverty in hill districts of Uttarakhand by enabling rural households to engage in sustainable livelihoods integrated with the wider economy –

- through improved food production applications to strengthen household food security as well as marketing the surplus on competitive prices;
- promote significantly the non-farm livelihoods particularly in the area of rural tourism and vocational training linked with job creations to improve cash flows and productive assets

Integrated Livelihood Support Project (ILSP) of Uttarakhand Gramya Vikas Samiti (UGVS) is seeking innovative viable research/action research proposals under the title of ‘Challenge Fund’ from public and private sector agencies (government, NGOs, companies, cooperatives, research institutions, academic institutions etc.

Challenge fund is a funding mechanism with which the two agencies (ILSP & Second Party from public, cooperative, non-government and/or private sector) have agreed to work on an innovative subject by pooling their multiple resources including engaging beneficiaries/target groups organised in a particular format/structure, to conduct action research aimed at establishing the fact/purpose that may be expressed in the form of improved system / technology leading to enhanced and sustainable livelihoods of the beneficiaries and their habitat; and has greater potential for scalability.

Result Chain:

Challenged Fund  **Enhanced Production + Competitive Market**
Returns Progressive Household & Habitat



1.1 Geographical Location

ILSP project will directly reach out to approximately 99,000 households in 9 districts and 37 selected blocks.

Geo Location of ILSP

S.No.	District	Block Name (ILSP)	Block Name (Ex-ULIPH*)
1	Almora	Syaldeh, Salt, Bhikiasain, Chaukhutia, Hawalbagh, Tadikhet, Dwarahaat	Bhainsiyachhana, Lamgara, Dhauladevi
2	Bageshwar	Garud	Bageshwar, kapkot
3	Chamoli	Tharali, Pokhri	Ghat, Deval, Narayanbagad , Dasholi
4	Tehri	Chamba, Jaunpur (common block)	Bhilangana, Devprayag, Pratapnagar, Jaunpur (common block)
5	Uttarkashi	Bhatwadi	Naugaon, Mori, Purola, Dunda
6	Rudraprayag	Jakholi, Augustmuni	--
7	Pithoragarh	Kanalichina, Pithoragarh, Munakot	--
8	Pauri	Kaljikkhal	--
9	Dehradun	Kalsi, Chakrata	--

* Ex-ULIPH – #17 blocks of #5 districts covered under Uttarakhand livelihood Improvement Project for the Himalayas (ULIPH) implemented by UGVs during 2004 – 2012.

2. SALIENT ESSENTIAL OF THE FUND

Salient feature of the fund for research/action research in hill districts/blocks of Uttarakhand would be with specific focus on:

- 2.1 Innovation relating to direct production or applied technology or efficient and effective systems development enabling balanced application and management of resources;
- 2.2 Enhancing the livelihoods of the target Producer Groups (PGs)/ Vulnerable Producer Groups (VPGs)/Federations/Livelihood Collectives (LCs) and their households;
- 2.3 Economically viable – Soil to Production to Marketing (S2M);
- 2.4 Potential for up scaling including viable to source financing and other resources; and
- 2.5 Socially, legally and environmentally in compliance and user friendly

3 POTENTIAL SUBJECTS, SUB-SECTORS FOR CHALLENGE FUND PROPOSAL

The subjects captured[#] below are to reflect the pertinent areas for research but certainly not exhaustive. ILSP will take up **2-3 projects in the first year and based on the need/demand, additional 2-3 projects may be selected in the second year**. However, ILSP may also consider the viable proposals in the innovation segment of the project.

Agriculture/Horticulture

- 1 Improving practices in traditional crops (**project preference in the first phase**)
- 2 Commercial Production Model of Medicinal and Aromatic Plants like *Bhangjeera* (*Perillafrutescense*) covering its value addition, product development and Market linkages. (**project preference in the first phase**)
- 3 Improved seeds production and preservation especially of Tomato / potatoes / pea/Quinoa (*Chenopodium*) and others premium varieties (**project preference in the first phase**)
- 4 Introduction of fodder crops/species suiting to hills conditions (**project preference in the first phase**)
- 5 Efficient micro irrigation to promote commercial vegetable cultivation (**project preference in the first phase**)
- 6 Scaling up Climate Smart Agriculture/ Horticulture and allied sectors
- 7 Enhanced productivity in the agriculture *kharif* and *rabi* crops to create market surplus and market linkages (Soil to Market –S2M)
- 8 Innovative model for orchard management in the hills.
- 9 Improvement in spice cultivation/preservation and other pertinent aspects for affective management of complete value chain.

Agri-Allied (Dairy, Poultry, Goatry, Fishery, Bee-keeping and Seri-culture etc.)

- 10 Improved milk bi-products for premium returns on investments (**project preference in the first phase**)
- 11 Rabbit rearing for wool and meat production for domestic/export (**project preference in the first phase**)
- 12 Improvement in animal breed and enhanced milk production
- 13 Small stock of varied breed suitable to hill conditions and viable enterprise

Key Support Subject Areas

- 14 Various methods of protection of crops from damage by wild animals. (**project preference in the first phase**)
- 15 Development of Rural Eco Tourism model to bridge social, cultural, environmental and other aspects of people in India and abroad for livelihood promotion of hill community (**project preference in the first phase**)

- 16 Youths' Functional Vocational Training through Mentoring especially for school dropout (*project preference in the first phase*)
- 17 Efficient renewable energy for promoting rural enterprises
- 18 Affordable safe drinking water technology for better health and productivity
- 19 Efficient infrastructure designs for rural business operations
- 20 Innovative holistic model for rural hills to reduce the drudgery of hill community particularly women.
- 21 Innovative technology of storage and/or value addition of perishable hill commodities.
- 22 Innovative model for promoting Uttarakhand handicraft and handloom covering designs, technological interventions and market aspects.
- 23 Bio-technology suiting to farm and non-farm activities
- 24 Innovative and sustainable marketing to suit hilly terrain and remoteness
- 25 Any other subject relating to project mandate

The project has identified 25 areas for support under Challenge Fund as indicated above but its preferred 10 subject areas are indicated in italics as above for this RFP.

3. QUALIFICATION CRITERIA FOR SUBMITTING THE PROPOSAL

- 3.1 Focus of the selected theme, innovative approach and research/action-research work would lead to multiple aspects of livelihood engagement by the people for strengthening food security, marketable surplus and also ensure preservation of environmental elements. The lead research in the given period would lead to:
 - (i) Enhance productivity with high potential of scale up and market competitiveness to enable producer establish sustainable livelihoods;
 - (ii) Evolved technology in complete form is available in the market to ensure access and affordability by many;
 - (iii) Handholding mechanisms in place to ensure smooth transfer of technology until a period that the users are competent
 - (iv) There are affordable financial instruments available to those seeking to adopt the evolved technology and need financing
- 3.2 Institution/agency is a registered body, conforming to all the obligations under the law of the land, credible and has the drive to engage with rural households/CBOs in the drive to innovating viable technology to enhance their participation in the economic activities;
- 3.3 Institution/agency has got the organisational structures, systems and equipment to take up the research work in a systematic manner including data collection, validation, analysis, interpretations and finally to logical conclusions;

- 3.4 Institution/agency has got the ability to communicate with the rural target group and communities organised into groups and institutions e.g. PGs, VPGs, SHGs, and LCs / Federations etc. being the ultimate owner of their enterprises and beneficiaries;
- 3.5 Research/action research (demonstration part) work is for **upto 15 months period** in which the results are aggregated on quarterly basis and compared with the set tasks and the goal of the research to measure the level of progress and success and;
- 3.6 At the end of 15 months period, the conclusions would need to be drawn and 9 months action plan for the upscaling including handholding for capacity enhancement would commence with monthly measurement by clear indicators

4. PROPOSAL SEEKING AND ASSESSMENT PROCESS

ILSP would be seeking the proposal from the interested institutions/agencies. In response to the RPF/EOI, following steps are to be followed to ensure comprehensive selection process -

☞ **Step 1 – Submission of Proposal**

Agencies eligible to apply for the challenge fund will submit a proposal as per the 'Proposal Template' by the stipulated date. The proposal template has been divided into two parts – Part 1 and Part 2

- **Part 1 :- A 2 pages (Maximum 500 words) summary to be prepared as the guiding points stated in Section II – Annexure 3.** *If necessary ILSP may seek additional information to clarify on the concept.*
- **Part 2 :- Detailed action research proposal as per Section II– Annexure 3.**

☞ **Step 2 – Appraisal of Submitted Proposal**

Upon receiving all the proposals by the closed date, the Proposal Assessment Committee in a formal meeting will study the proposals by its merits. Thematic Manager along with 1 subject expert will play vital roles in the committee proceedings by ensuring that the extrapolated merits of each research proposal are pertinent and at cutting edge addressing the 2.1 to 2.5 above. First short listing will be completed at this stage.

☞ **Step 3 – Finalisation of Selection Process**

Short listed agencies will be invited for a Power Point Presentation and detailed discussions with each agency would follow at mutually agreed date/time/place. Second short listing will be completed at this stage.

☞ **Step 4 –**

Upon seeking approval from appropriate project authority finalist will be invited for awarding the contract through anMoU

☞ **Step 5 – Commencement of action research**

☞ **Step 6 – Role of Expert and Thematic Programme Manager During Action Research**

Both the thematic programme manager and thematic expert will track the research proceedings on regular basis with the contracted agencies and also with the primary stakeholders.

☞ **Step 7 - Monitoring and Performance Measurement**

Thematic Programme Manager, Manager PME and Manager MIS with support of other concerned colleagues will develop a detailed monitoring and MIS framework to be implemented with engagement of various responsible personnel.

Thematic Programme Manager and Manager PME will monitor the progress of implementation. The Core Group will also include the performance assessment in its meeting's agenda, provide the necessary guidance, and take critical decisions to ensure research on course.

5. PERFORMANCE MEASUREMENT MECHANISM

5.1 The project will have performance monitoring indicators divided into three parts tied to a time frame / stage of research/action research development –

- A. **Technical indicators** depicting the research aspects (Technical experts to interpret in terms of progress and standards);
- B. **Production indicators** (Technical experts to interpret its field level application); and
- C. **Financial** consequences in terms of economy of scale

5.2 As per Step 6 above

6. SCORE CARD FOR ASSESSMENT (*for reference only*)

The 'Proposals Assessment Committee' will be make meritorious assessment based on the detailed submissions of documents as per Stage 3 and Stage 4. The points of assessments made during the Power Point Presentation and One on One discussion will be "Normalised" in the Score Card.

**INTEGRATED LIVELIHOOD SUPPORT PROGRAM
CHALLENGE FUND PROPOSAL
SCORE CARD FOR ASSESSMENT – STAGE 3 & STAGE 4**

#	COMPONENT	Elements	ALLOCATED SCORE	SCORE AWARDED	AWARDING RATIONALE
1.	Innovation	a) Business oriented * b) Uncertain	10		Anything less than (a) = 0
2.	Beneficiaries Focus	a) PGs/VPGs b) Women centric	10		(a) and or (b) = 10 © = 5
3	Risk factors (Links to other components on the scale)	a) Low – Moderate – High b) Inadequate HR c) Cultural risks d) Other	10		High = 0, Can lead to overall zero if technical team & project conclude
4	Technical feasibility (Subject Specific)	a) Based on certain scientific standards b) Field level examination	15		(a) + (b) = 15 (No split in a & b)
5	Feasibility for market access	a) Local markets b) External regular markets c) Premium markets including export	10		(a) & (b) = 6 Extra 4 points for Premium market
6	Time horizon	a) Within 1-2 years b) Too long c) Uncertain	5		(a) = 5; (b) / (c) = 0
7	Economies of Scale	Clear Market demand or perceived market demand	5		If seven = (-ve)
8	Track record in Research/Action Research	a) Successful in past research work b) Nascent / Promising c) No experience	10		If (d) = 0 proposal reject
9	Budget Size	a) Too high in relation to eco. of scale #	10		If (a) is applicable then team

		b) Moderate in relation to economies of scale			may give zero
10	Resources for Proposed Project	a) Technical researchers b) Equipment/Machinery/others c) Financial back up	15		
			100		

*Business oriented means that innovation is going to contribute to the livelihood enhancement and advancement

Economies of scale means outreach to primary stakeholders

Section II

- *Cover letter for submitting the Technical and Financial Proposal (Annexure 2)*
- *Format for Proposal writing (Annexure 3)*
- *Declaration (Annexure 4)*

Annexure 2

Dated:.....

Applicant's Name and Address:

Application Reference No:

Proposal under Challenge Fund For:

Person to be contacted:

Designation:

Telephone No.:

Mobile :

Fax:

To,

**The Project Director,
Project Management Unit,
Integrated Livelihoods Support Project (ILSP)
Uttarakhand Gramya Vikas Samiti
216, Phase-2, Panditwari, Dehradun
Tel/ Fax: 0135-2773800, Email: info@ugvs.org**

Subject: Technical & Financial Proposal and Expression of Interest for the Challenge Fund for UGVS under Integrated Livelihood Support Project (ILSP) funded by IFAD.

Dear Sir,

The undersigned, having read your solicitation of Financial Proposal and hereby express our interest for the purpose of action research work to be undertaken in the Challenge fund category.

- 1. Structured Proposal:** We are submitting the Credentials/Information as stipulated in your aforesaid solicitation of proposal in **Section I & II – Annexure 1, 2 & 3**. In case you require any further information in this regard, we agree to furnish the same.
- 2. Supporting documents:** We have enclosed documents supporting compliance and in support of the information provided in the Structured proposal.
- 3.** We are hereby submitting the Financial Proposal as per **Section II – Annexure 3** for the proposed assignment.
- 4.** We are also submitting the declaration mentioned as per the **Section II – Annexure 4**.
- 5.** We are interested to work in any/ all of the district(s) / block(s) in Uttarakhand allotted to us by the project as per need.

Enclosures attached:

1..... 2..... 3.

Yours sincerely,

Date :.....

(Signature of authorized person) Place :

Seal of the Agency

Part - 1: Summary of Action Research Proposal

A 2 pages (Maximum 500 words) summary to be prepared as the guiding points stated under a) to j) below. If necessary ILSP may seek additional information to clarify on the concept.

- a) Agency, Legal entity, Contact
- b) Subject Title of research/action research;
- c) Focus of Sector/Sub sector including potential users and innovative approach
- d) Proposed geographical area - district/block/Villages
- e) Action research key investigation points;
- f) Brief action research methodology to be applied;
- g) Feasibility of adaptation by target people and scale up
- h) Envisaged outcomes pertaining to e) ;
- i) Total time of action research
- j) Approximate total cost – HR, Material & Machinery etc. (*with minimum establishment and overhead cost*)

Part - 2 Detailed Action Research Proposal

1. General Particulars of Agency

Name of the Agency	
Registered Address	
Phone No:	
Email id:	
Name of the Contact Person for this proposal	
Phone no. of the Contact Person for this proposal	
Email id of the Contact person for this proposal	
Office/ Branch offices, if any, in Uttarakhand (give complete address)	
Office/ Branch in Other States if any (give complete address)	

2. Particulars of Agency

Date of establishment of the Agency	
Registration No. (attach copy)	
Registration Authority/Act	
Validity of Registration	
Service Tax Registration No. & Validity (attach copy)	
Provident Fund Registration No.	

Empanelment with other Govt./ Govt. under takings (provide details)	1. 2. 3. ..
Type of the Agency (Please tick the appropriate)	
- Society	
- Trust	
- Company	
- Cooperative Society	
- Others (mention detail)	
List of Directors / Members in the Governing Body (provide name and contact numbers)	
PAN No.	
TIN No.	
ITR (<i>please attach last three assessment years Income Tax Return receipt</i>)	

3. Specific Details of the Proposed ActionResearch

#	Construct of Project	Details
1	Title of Project	
2	Sector/Sub-Sector	
3	Proposed Project Statement	
4	Proposed Geographical location	
5	Purpose of the Study in relation to ILSP mandate	
6	Total time of the Project	
7	Key Findings to Pursue	
8	Details of ActionResearch Methodology	
9	Type of primary and secondary data required for analysis	
10	Evaluation of relevant literature	
11	Main actionresearch questions relating to key findings (Point 7 above)	

12	Identify the key stakeholders to work with (Other than target group)	
13	Identify the target group to work with	
14	Identify main activities to be implemented & Relate to point 6 by quarter (detail plan after awarding contract)	
15A	Envisaged Outputs	
15B	Scalability in the project area	
15C	Envisaged Outcome	
15D	Envisaged Impact	
16	Key Budget details	
17	Key Monitoring Indicators& Timing	
18	Time Scale By Stages	
19	Conclusion	
20	Statement on justification of proposal being innovative and in-tune with project objectives of livelihood enhancement (<i>max 300 words</i>).	

3.1 Critical Activities Planner

#	Main Activity	Sub-Activity	Q1	Q2	Q3	Q4

3.2 Main Assumptions Pertaining to Proposed Research

	Main Assumptions	Risk Level			
#		None	Low	Medium	High

3.3 Budget Template

Projected Budget Justification Equipment & Machinery (Non-Recurring)

Table 1

Items	BUDGET(In Rupees Lakh)		
	Year 1	Year 2	Total
A. Equipment & Machinery (Non-Recurring Costs)			
(1) Equipment			
(2) Plant & Machinery			
Sub-Total (A)			
B. Recurring Cost			
(1) Consumables Items			
(2) Training (including demonstration)			
(3)Travel			
(4) Other Costs/ Contingencies			
(5) Human Resource			
(6) Institutional overhead charges			
Sub-Total (B)			
Grand Total (A + B)			

Table 2: Equipment & Machinery Details & Functions

#	Description	Model	Imported/ Indigenous	Utility Life (For Depreciation)	Cost (Rs. Lakh)

Table 3: Details of Consumable Items

#	Description	Quantity	Purpose

Table 4: Salaries/Wages -Human Resource
Rs. Lakh

#	Position	Pay Scale	Placement Office/Field	# Persons	Year 1	Year 2	Total

Table 5: Institution/Agency Financial Contribution

#	Contribution By Item	Yr.1	Yr.2	Total

Annexure 4

Date:.....

Declaration

To whom so ever it may be concern

I..... hereby solemnly affirm that I am authorized signatory in the.....,and hereby declare that there is no pending disciplinary action by any authority against the Institution/ Agency and the Institution/ Agency has not been blacklisted by any government or any other donor/partner organization in past for any period of time.

In case of any future developments which may affect this declaration at a later date; we would inform the project accordingly.

Signature _____ of
Authorized person

Name:

Designation:

Name of the Agency:

Date:

Seal of the Agency:

Section III

- *About the project (Annexure 5)*
- *Draft proposed MoU (Annexure 6)*

About the project

1. Background

After the successful implementation of Uttarakhand Livelihoods Improvement Project for the Himalayas (ULIPH), Government of Uttarakhand with support from the International Fund for Agriculture Development (IFAD) is implementing a follow-up project, the Integrated Livelihood Support Project (ILSP).

2. Rationale

The justification for ILSP is the need to stop the deterioration of the productive infrastructure, make farm labour more productive and farming more remunerative, and hence provide incentives for people to invest their time and resources in agriculture. Despite the disadvantages that agriculture faces in the hill areas, Uttarakhand does have the advantage of cooler temperatures at higher altitudes, allowing production of off-season vegetables (OSV) and temperate fruits. The horticultural sector is less developed in Uttarakhand than in the other hill states, so there is also considerable potential for growth, in other niche products such as spices, medicinal and aromatic plants and fruit nuts. Beside these, tourism is another area with high growth potential. However, more need to be done to ensure that local people fully participate in, and benefit from, these sectors. The population is fairly well educated, but the level of youth unemployment is relatively high. Therefore, proper vocational training will help such people find good quality employment in the growth sectors of the country.

3. Objectives

The overall objective (goal) of ILSP is to reduce poverty in hill districts of Uttarakhand. This would be achieved via the more immediate development objective to “enable rural households to take up sustainable livelihood opportunities integrated with the wider economy”.

The strategy behind ILSP is to adopt a two pronged approach to building livelihoods in hill districts. The first of these is to support and develop the food production systems which remain the main means of support for most households. The second main thrust of the project is to generate cash incomes by supporting non-farm livelihoods, especially community involvement in rural tourism, and vocational training.

4. Components:

4.1 Component 1: Food security and livelihood enhancement to be implemented by UGVS, will support crop and livestock production for food security, and develop high value cash crops and other products (such as rural tourism, etc.) to provide cash incomes. Crop and livestock production will be developed via support to Producer Groups (PG) and their higher level organizations (Livelihood Collectives- LC) formed by federating number of PGs (about

60 to 80). To up-scale enterprises generating cash incomes, and to introduce new income sources, ILSP will also improve access to markets through value chain approach, provision of technical services and physical infrastructures for market access. The value chain approach involves market/sub-sector studies, introduction of new technologies, market linkage, skill development, product development & promotion and physical infrastructure for market access.

These activities will cover approximately 99,000 households in selected 37 blocks of the nine districts i.e. Almora (10), Bageshwar (3), Chamoli (6), Tehri (5), Uttarkashi (5), Rudraprayag (2), Pithoragarh (3), Pauri (1) and Dehradun (2).

Details of the blocks covered under the project

S.No.	District	Block Name (ILSP)	Block Name (Ex-ULIPH*)
1	Almora	Syaldeh, Salt, Bhikiasain, Chaukhutia, Hawalbagh, Tadikhet, Dwarahaat	Bhainsiyachhana, Lamgara, Dhauladevi
2	Bashwar	Garud	Bageshwar, kapkot
3	Chamoli	Tharali, Pokhri	Ghat, Deval, Narayanbagad , Dasholi
4	Tehri	Chamba, Jaunpur (common block)	Bhilangana, Devprayag, Pratapnagar, Jaunpur (common block)
5	Uttarkashi	Bhatwadi	Naugaon, Mori, Purola, Dunda
6	Rudraprayag	Jakholi, Augustmuni	--
7	Pithoragarh	Kanalichina, Pithoragarh, Munakot	--
8	Pauri	Kaljikkhal	--
9	Dehradun	Kalsi, Chakrata	--

** Ex-ULIPH – #17 blocks of #5 districts covered under Uttarakhand livelihood Improvement Project for the Himalayas (ULIPH) implemented by UGVS during 2004 – 2012.*

The project will also improve access to employment in the non-farm sector by supporting vocational training linked to job placement.

4.2 Component 2: Participatory Watershed Development implemented by the Watershed Management Directorate (WMD), will use processes that have been established through a series of watershed development projects in the state, but with an increased focus on food security, livelihoods and market linkages. It will protect and improve the productive potential of the natural resources in selected watersheds, alongside the promotion of sustainable agriculture with formation of PGs and LCs, and with improved access to markets.

The component would cover approximately 19,800 HHs in 7 blocks of 3 districts.

S.N.	District	Block Name (ILSP)
1	Pauri	Pabo, Ekeshwar
2	Champawat	Pati, Champawat, Barakot
3	Nainital	Betalghat, Ramgarh

4.3 Component 3: Livelihood financing implemented by UPASaC. The activities under this component include:

- a) Banking support – capacity building,
- b) Risk management – piloting and scaling up of insurance services,
- c) Financial inclusion initiatives – training to LC to be bank agents, product literacy training,
- d) Provision of development finance

4.4 Component 4: Project coordination and management. Each executing agency including UGVS, will have their own project management units headed by a Project Director or Chief Executive. To provide overall coordination, the state nodal agency, RDD, will set up a Central Project Coordination Unit (CPCU) within RDD, headed by Chief Project Director (CPD)/ Project Coordinator (PC).

A State level Project Steering Committee (PSC) would be chaired by the Chief Secretary. The PSC has established a Project Management Committee (PMC) chaired by FRDC.

5. Convergence:

The National Rural Livelihoods Mission (NRLM) is being implemented in project areas and will undertake formation and support to SHGs. ILSP will provide complementary support for enhancing livelihoods of SHG members, many of whom will also join PGs. Producers supported by ILSP will be expected to receive support from other government programmes and from formal financial institutions.

6. Targeting strategy

Targeting will have a saturation approach, with all interested households within project areas participating. Better off families have more resources available and have a greater capacity to take risks. Poorer households may take up a new activity once they have seen it working on the land of the richer farmer. It is also important to include as many households as possible in order to scale up production to generate a sufficient volume for marketing purposes. One of the barriers to market entry faced by hill producers is that the small volumes of produce that they offer are too small to be of interest to the major buyers in large city markets. However efforts will be made to ensure that women and also poor and disadvantaged households participate in project activities. Different or additional assistance being provided to the poorest and most disadvantaged via Vulnerable Producer Groups. **At least 20% of project resources should go to SC and ST households, with VPGs giving maximum coverage to SC and ST households.** Care to be taken while implementation to avoid duplication of similar support by different agencies to one beneficiary.

Gender: The flow of benefits directly to women would be ensured by having at least 50% of female membership in producer groups. The TA would also ensure that women participate actively in management of Livelihood Collectives. The project would promote livelihood activities that specifically address the needs of women – such as by improving access to fodder and fuel, and easing the manual work involved in crop production.

6. Priority sub-sectors identified by the project at block level

District	Name of /block	VC 1	VC 2	VC 3
		Identified VC	Identified VC	Identified VC
Uttarkashi	Bhatwari	Dairy	Vegetable (Potato , French bean)	Traditional Crops (Maduwa , Ramdana Pulses)
		Traditional Crops (Ramdana&Rajma)	Vegetable (Potato , Pea)	Dairy and Goatry
Bageshwar	Garur	Dairy	Fruits (Pears)	Traditional Crop (Red rice)
		Dairy	Fruits (Pears)	Traditional Crop(Red rice)
		Traditional Crops (Madwa)	Dairy	Spices
		Dairy	Fruits (Citrus and Pears)	Traditional Crops
Tehri	Chamba	Traditional Crops (SoyabeanMasoor)	Dairy, Goatry	Spices (Coriander, Chilly , turmeric)
		Vegetables (Potato , cabbage)	Dairy, Goatry	Traditional Crops (Grain and Pulses)
		Dairy, Goatry	Traditional Pulses Crops (Tour, Naurangi, Rajma)	Vegetables (Potato, capsicum)
		Dairy, Goatry	Traditional Pulses crop (Rajma, Naurangi, Gahat, Urd	Vegetables (Potato , Tomato)
Almora	Bhaikiysain	Spices (Chillies& Turmeric)	Dairy	Traditional crops
		Spices (Chillies)	Dairy	Eco - Tourism
		Spices (Chillies)	Vegetable	Traditional crops (Paddy)
	Hawalbagh	Dairy	Vegetable	Fruits
		Vegetable	Dairy	Spices

		RNFS	Dairy,	Eco tourism,
		RNFS	Dairy,	Eco tourism,
	Syalde	Vegetable	Dairy	Poultry
		Vegetable	Dairy	Poultry
		Dairy	Fruits	Traditional Crop
		Dairy	Traditional Crop	Spices
	Salt	Dairy	Spices	Traditional Crops
		Dairy	Spices	Traditional Crops
		Spices	Dairy	Vegetable
		Spices	Dairy	Poultry
	Choukhatiya	Traditional Crops (Paddy and Wheat)	Fruits (Mango)	Dairy
		Traditional Crops (Paddy and Wheat)	Fruits (Mango)	Dairy
		Traditional Crops (Paddy and Wheat)	Fruits (Mango and Citrus)	Dairy
Chamoli	Tharali	Vegetable (Potato)	Traditional Crops (Ramdana)	Fruits (Citrus)
		Vegetable (Potato)	Traditional Crops (Soyabean)	Fruits (Citrus)
Rudraprayag	Jakholi	Spices (Ginger, turmeric, garlic), OSV(Pea, Potato, Capsicum, French bean, onion)	Traditional Crop (Amaranth, Finger Millet, Rajma, <i>Jhangora</i>)	Fruits (Mango, Citrus and Apple)
	Augustmuni			
Pithoragarh	Kanalichina	Spices (Ginger), OSV(Pea, Potato)	Traditional Crop (Amaranth, Finger Millet, Pigeon Pea)	Dairy
	Pithoragarh			
	Munakote	spices, turmeric (Ginger)	OSV(potato)	traditional crop (millet)
Pauri	Kaljikhali [#]	Traditional Crops		
Dehradun	Kalsi	Spices (Ginger)	Vegetable (<i>Aarbi</i> , Chilly, Green leafy coriander, Pea)	
	Chakrata	Spices (Ginger)	Vegetables (Potato, <i>Aarbi</i>)	Traditional Crop(Rajma, Ramdana)

The project has engaged the services of Technical Agencies at block level for facilitating the implementation.

Proposed DRAFT

Memorandum of Understanding (MOU)

Between Uttarakhand Gramya Vikas Samiti (UGVS), through its
Project Director
And

.....
For

.....
Contract No. /2015-16

This Memorandum of Understanding (MOU) is entered into on _____ day of _____
between the Uttarakhand GramyaVikasSamiti (UGVS) having its office at 216, Phase II,
Panditwari, Dehradun, Uttarakhand through its Project Director, Mr. Vijay Kumar of the one
part (hereinafter to be called "THE FIRST PARTY"),

And

.....
.....
.....

(Hereinafter to be called "THE SECOND PARTY").

WHEREAS

(a) The FIRST PARTY, is a Society registered under the Societies Registration Act-1860 by
the Department of Rural Development of the Uttarakhand Government (UK) and is
implementing Integrated Livelihood Support Project (ILSP).

(b), is the Second Party.

(c) The main objectives of the MOU are -

- 1 -
- 2 -
- 3-.....
- 4-.....
- 5-.....

d) The FIRST PARTY has identified the Second Party to carry out the above activities
through Proposal name.....The SECOND
PARTY has submitted the project proposal for
.....under Integrated Livelihood Support
Project (ILSP) being implemented by UGVS

By way of this MOU the SECOND party agrees with the FIRST party on the terms and
conditions

NOW THEREFORE THE PARTIES HERETO HEREBY AGREE AS FOLLOWS:

1. GENERAL

1.1 Definitions and Interpretation

a. Definitions:

- i. "Agreement" means this agreement.
- ii. "Applicable Laws" means the laws and any other instruments having the force of law in India as they may be issued and in force from time to time;
- iii. "Confidential Information" shall have the meaning set forth in Clause 3.6;
- iv. "Dispute" shall have the meaning set forth in Clause 6.
- vi. "Effective Date" means the date on which this agreement comes into force and effect pursuant to clause 2.1;
- vii. "Government" means the State Government of Uttarakhand;
- viii. "INR, Re. or Rs." Means Indian Rupee.
- ix. "Party" means the First Party or the Second Party, as the case may be, and Parties means both of them;
- x. "Personnel" means persons hired by the Second Party or by any Sub-Consultant as employees and assigned for the performance of the Services or any part thereof;
- xi. "Service(s)" means the work to be performance by the Second Party pursuant to this Agreement, as described in the Terms of Reference hereto prepared by the First Party;
- xii. "Third Party" means any person or entity other than the Government, the authority, the Consultant or a Sub-Consultant.

b. The following documents along with all addenda issued thereto shall be deemed to form and be read and construed as integral parts of this Agreement and in case of any contradiction between or among them the priority in which a document would prevail over another would be as laid down below beginning from the highest priority to the lowest priority;

- i. Agreement;
- ii. ToR (Terms of reference) prepared by the FIRST PARTY to carry out the assignment;
- iii. Complete proposal submitted by the Second Party

c. If any doubt arises as to the interpretation of the provisions of this Agreement or as to matters not provided therein, the parties to this Agreement shall consult with each other for each instance and resolve such doubts in good faith.

1.2 Representation and warranties

1. The parties hereby represent and warrant to each other that;
 - i. It is duly established and existing under the laws of jurisdiction stated against its name of this Agreement and has the legal power and authority by virtue of statute/resolution, to sign this Agreement, perform and comply with its duties and obligations under this agreement.
 - ii. This agreement constitutes legal, valid and binding obligation is enforceable against it in accordance with the terms hereof; order decree of regulation of any court, Governmental instrumentality of functions; or any other documents or to the best of its knowledge any indenture, contract or agreement to which it is a party or by which it may be bound.

- iii. There are no actions, suits, writs or proceedings pending or, to the best knowledge against it before any court, governmental instrumentality or arbitral tribunal or quasi-judicial authority that restrains it from performing its duties and obligations under this agreement; and
- iv. No representation or warranty made herein contains any untrue statement based on the facts and circumstances.

1.3 Relation between the Parties

This Agreement shall not constitute the appointment of either Party as the legal representative or agent of the other Party. No Party to this Agreement shall have any right or authority to create or incur any liability or any obligation of any kind, express or implied, against or in the name of or on behalf of the other Party to this Agreement, and except as specifically and expressly provided in this Agreement, neither Party shall assume or be responsible for any liability or obligation of any nature of, or any liability or obligation that arises from any act or omission of the other party, however or whenever it arises.

1.4 Rights and obligations

The mutual rights and obligations of the FIRST PARTY and the SECOND PARTY shall be as set forth in the Agreement, in particular:

SECOND PARTY shall providein the project area of ILSP as prescribed by the FIRST PARTY (the "Services") in accordance with the provisions of the agreement-and

- (a) The FIRST PARTY shall make payments to the SECOND PARTY in accordance with the provisions of the Agreement.

1.5 Governing law and jurisdiction

This Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the courts at Dehradun shall have exclusive jurisdiction over matters arising out of or relating to this Agreement.

1.6 Language

All notices required to be given by one Party to the other Party and all other communications, documentation and proceedings which are in any way relevant to this Agreement shall be in writing and in English language.

1.7 Table of contents and headings

The table of contents, headings or sub-headings in this Agreement are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this Agreement.

1.8 Notices

- a. Any notice pursuant to this MOU shall be in writing signed by (or by some person duly authorized by) the person giving it and may be served by leaving it or sending it

by facsimile, email or registered post addressed as follows (or to such other address as shall have been duly notified by the Parties):

If to the FIRST PARTY:

Attention: Project Director

Address:

UGVS

216, Phase II, Panditwari,

Dehradun (Uttarakhand)

If to the SECOND PARTY:

Attention:

.....

All notices given on the address above shall be deemed to have been served as follows:

- i. If delivered by hand, at the time of delivery;
 - ii. If communicated by facsimile, on receipt of confirmation of successful transmission;
 - iii. If communicated by email, on receipt of confirmation of successful delivery; and
 - iv. If sent by registered post with acknowledgement due, on receipt of such acknowledgement from the recipient.
- b. All notices communicated by facsimile or email shall be followed by a copy thereof being sent by registered post to the addresses specified above immediately.
 - c. A notice or other communication received on a day other than a Business Day, or after business hours in the place of receipt shall be deemed to be given on the next following Business Day in such place.
 - d. For the purposes of this clause, the term Business Day shall mean a day other than Saturday or Sunday on which commercial banks are generally open for transaction of normal banking business in Dehradun, (India).
 - e. Either party may, from time to time change its address or representative for receipt of notices provided for in this agreement by giving to the other party not less than 10 (Ten) business days prior written notice in the same manner provided for in this clause.

1.9 Location

The Services shall be performed at different locations in the state of Uttarakhand in accordance of selected blocks by the FIRST PARTY pursuant to this Agreement.

1.10 Authorized representatives

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Agreement by the FIRST PARTY or the SECOND PARTY, as the case may be, may be taken or executed by the officials specified in this Clause 1.10.

The FIRST PARTY may, from time to time, designate one of its officials as the Nodal Officer. Unless otherwise notified, the Nodal officer shall be:

Manager (PME), UGVS,

E-mail:

Telefax: 0135-2773800

The SECOND PARTY shall be represented by

.....

Telefax :

E-mail:

1.11 Taxes and duties

Unless otherwise specified in the Agreement, the SECOND PARTY shall pay all such taxes, duties, fees and other impositions as may be levied under the Applicable Laws and the FIRST PARTY shall perform such duties in regard to the deduction of such taxes as may be lawfully imposed on it. TDS shall be deducted as per provision of law.

2. COMMENCEMENT, COMPLETION AND TERMINATION OF AGREEMENT

2.1 Effectiveness of Agreement

This Agreement shall come into force and effect on the date of this Agreement (the "Effective Date")

2.2 Commencement of Services

The SECOND PARTY shall commence the respective Service within a period of 7 (seven) days from the day of signing the agreement, unless otherwise agreed by the Parties.

2.3 Expiration of Agreement

Unless terminated earlier pursuant to Clauses 2.8 hereof, this Agreement shall, unless extended by the Parties by mutual consent, be for a term ofyears fromtoThe agreement can be extended, if the need is felt by the project and if the performance of the Second Party is found to be satisfactory.

2.4 Entire Agreement

- a. This Agreement constitute a complete and exclusive statement of the terms of the agreement between the Parties on the subject hereof, and no amendment or modification hereto shall be valid and effective unless such modification or amendment is agreed to in writing by the Parties and duly executed by person especially empowered in this behalf by the respective Parties.
- b. **The proposal submitted by theand approved by UGVS is the integral part of this MoU and is to be referred while execution of this MoU. Enclosed as Annexure -1**
- c. Without prejudice to the generality of the provisions of Clause 2.4(a) on matters not covered by this Agreement, the provisions under Terms of reference TOR , and terms & conditions, if any, mentioned in the work orders issued by the FIRST PARTY, shall apply.

2.5 Modification of Agreement

Modification of the terms and conditions of this Agreement, including any modification of the scope of the Services, may only be made by written agreement between the Parties. No Amendment for change hereof or addition hereto shall be effective or binding on either of the parties hereto unless set in writing and executed by the respective duly authorized representatives of each of the parties hereto.

2.6 Force Majeure

The parties to this agreement shall not be liable to each other for failure or delay in the performance of any of its obligations under this Agreement for the time and to the extent such failure or delay is caused by riots, civil commotion, wars, hostilities between nations, government laws, orders regulations, embargos, action by the government(s) or any agency thereof act of God, storms, earthquake ,fires, accidents, strikes, sabotages, explosions or other similar or different categories beyond the reasonable control of the respective parties to this Agreement in the event that either party is wholly or in part, prevented from or hindered in carrying out or observing any of the terms or conditions of this Agreement for any cause set forth hereinabove. Such affected party shall give written notice to the other party by the most expeditious means as soon as possible after the occurrence of the cause relied on, giving full particulars of the reason for such prevention or hindrances and the parties shall in good faith consult each other and take necessary measures for the resolution of the affairs so prevented or hindered.

2.7 Suspension of Payments by FIRST PARTY

FIRST PARTY may by written notice to the SECOND PARTY, suspend all the payments to the SECOND PARTY here under (except in relation to those services which have been performed) if SECOND PARTY hereunder fails to perform any of its obligations under this Agreement, including carrying out the services, provided that such notice of suspension - (i) shall specify the nature of failure, and, (ii) shall request second party to remedy such failure within a period not exceeding 10 days (or such other extended time as may be mutually agreed upon), after the receipt by the SECOND PARTY of such notice of suspension.

2.8 Termination of Agreement

FIRST PARTY may terminate this agreement and may put the Second Party under black list by not less than 30 days written notice of termination to it. Such notice may be given after the occurrence of any of the events specified below,

- I. If Second Party does not remedy a failure in the performance of its obligations under this Agreement, within 15 days of receipt after being notified or within such further period as First Party may have subsequently approved in writing;
- II. If Second Party becomes insolvent or bankrupt;
- III. If, as a result of Force Majeure (Clause 2.6), Second Party is unable to perform a material portion of services for a period of not less than 60 days(sixty days).
- IV. If the Second Party, in the judgment of the Client has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

V. If the Client, in its sole discretion is not satisfied with the performance of the Second Party or for any other reason whatsoever decides to terminate this Contract.

a. Payment upon Termination

Upon termination of this Agreement First Party shall pay professional fee as per the agreed terms for services under any outstanding work orders satisfactorily performed prior to the effective date of termination.

b. No Objection

On termination of this agreement, the Second Party shall have no objection to the First Party appointing a Third Party to complete the services to be performed under the scope of this Agreement and further the Second Party shall reimburse all the amount(s) [paid by the First Party] and not utilized by it as part of its services as laid down in this Agreement.

2.9 Indemnity

Notwithstanding anything to the contrary contained in this Agreement and without prejudice to other rights that the First Party may have under this Agreement and the applicable laws, the Second Party (the "Indemnifying Party") hereby irrevocably indemnifies, defends, saves and hold harmless and irrevocably agrees and undertakes to keep indemnifying, defending, saving and hold harmless, at all times the First Party and its respective directors and employees including officers and managers (each, and "Indemnified Party"), on demand, to the fullest extent permitted by applicable laws from and against any and all losses, damages, penalties, costs, charges, reasonable expenses, suits, or legal/quasi legal proceedings of whatever nature, including, without limitation, any legal or other fees and expenses in connection with investigating, disputing, preparing or defending any claim which may be suffered or incurred by the Indemnified Party resulting from or arising out of a breach of any covenant or agreement made or failure to perform (whether in whole or in part) any obligation required to be performed by the Indemnifying Party (or any person or representative designated by the Indemnifying Party) under this Agreement.

3. OBLIGATIONS OF THE SECOND PARTY

3.1 Standards of Performance

The SECOND PARTY shall perform the Services and carry out its obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced technology and safe and effective equipment, machinery, materials and methods besides well trained and efficient manpower to carry out the project for benefit to the rural livelihood enhancement under project area. The SECOND PARTY shall always act, in respect of any matter relating to this Agreement or to the Services, as a faithful adviser to the FIRST PARTY, and shall at all times support and safeguard the FIRST PARTY's legitimate interests in any dealings with Third Parties. The Second Party shall at all times during the term of the Agreement undertake to conform to and comply with all relevant laws, rules and regulations including the following:

- 1.
- 2.

- 3.
- 4.

3.2 Terms of Reference (to be defined in detail after the project is sanctioned)

a. Scope of services:

The following scope of services shall be performed by the SECOND PARTY:

- 1.
- 2.
- 3.
- 4. The monthly progress will be monitored by concerned DPMUs,.....andThematic Sector Head at PMU.
- 5.will start working under the Integrated Livelihood Support Project (ILSP) being implemented by the UGVS-
 - i. Duration of the contract shall be two year from ----- to ----- which may be extended upon satisfactory performance. The Second Party shall work towards making the Processing units self-sustainable which can function even after the project period
 - ii. The Second Party shall give in writing the dates of starting each processing units proposed under the project
 - iii. The training shall be imparted by..... under the project cost and no other expenses shall be claimed with regards to the training.
 - iv. It shall ensure Regular assessments and updating in the First Party’s MIS Table 1 :activity based Development
Name of Producer Group----- Cluster name -----
 - v. The Second Party Name..... shall ensure Monthly reporting. The centres should submit monthly report by 10th day of each month and enter data in the MIS. The MIS User ID and Password shall be provided to Second Party by the ILSP for access to MIS and making timely entries in MIS
 - vi. Second Party will work in close coordination with the authorised representative of UGVS for this assignment and the committee formed at PMU will review the progress on **monthly** basis.
 - vii. **Payments**[#]- The total cost of the project is Rs for a period of 2 years. For the first year budget required is Rs After signing of the MoU the first party shall release **xx**% of the 1st year expenditure as 1stinstalment i.e., Rs..... /-.
 - a) After the successful progress of the project in the first quarter (three month period) the second Instalment of **xx** % of the 1st year expenditure as lIand instalment ie Rs. /- shall be released

- b) After the successful progress of the project in the second quarter (six month period) The third instalment, xx% of 1st year expenditure as IIIrd instalment i.e., Rs..... /- shall be released.
Any advance to the Second Party (if agreed by the first Party) shall be released against appropriate bank guarantee.
- xii. Employees: During the period of the contract all the personnel engaged for the execution of this contract shall be treated as staff of The Second Party, and they shall in no case treated as employees/staff of the ILSP/UGVS.
- Xiii. Second Party Name..... will adhere to the Uttarakhand Procurement Rules 2008. The assets procured during the contract period shall be the assets and a separate fixed assets register shall be maintained by the Second Party in this regard
- XIV Audit – Second Party Namewill audit the expenditures related to this activity and provide an audit certificate from an external auditor (CA Firm) along with the financial statements and schedules pertaining to this activity within 3 months from the end of the financial year. Further IFAD or its representative will have a right to inspect the books of accounts related to this activity, if deemed necessary.
- XV Books of account – Separate books of accounts and bank account are to be maintained by The Second Party.
- XVI Second Party shall hire the services of all needed human resource as per their own norms. The human resources engaged so engaged shall not be the employees of the First party under any circumstances.

3.3 Delays:

The Second Party shall proactively do all the timely coordination between it and the First Party to ensure timely completion of its part. The Second Party shall also provide to the first party all the necessary data required for expeditious decision making. If the services are impeded or delayed in spite of best efforts by the Second Part, suitable time extension may be considered by the First Party provided First Party is satisfied/convincing about the reasons given by the Second Party.

3.4 Applicable Laws

The SECOND PARTY shall perform the Services in accordance with the Applicable Laws and shall take all practicable steps to ensure that the Personnel and agents of the SECOND PARTY, comply with the Applicable Laws.

3.5 Confidentiality

- a. Subject to Clause (b) below, each Party agrees with the other Party that it will keep confidential and shall not disclose to any third Person any Confidential Information.
- b. Exceptions -
A Party may disclose Confidential Information:
 - i. To the extent to which it is required to be disclosed pursuant to the Applicable Laws;
 - ii. To the extent to which it is specifically permitted by the other Party in writing;

- iii. To the extent that the Confidential Information is publicly available (other than as a result of a breach by such Party of its confidentiality obligation under Clause. 3.6 (a) above); and
- iv. To its employees and professional advisors, but only to the extent necessary and subject to such employees and professional advisors accepting an equivalent confidentiality obligation to that set out in this Confidentiality Clause- 3.6.

3.7 Fraud and Corrupt Practices.

- a. The SECOND PARTY and its Personnel shall observe the highest standards of ethics and shall not have engaged in and shall not hereafter engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice (collectively the “Prohibited Practices”) Notwithstanding anything to the contrary contained in this agreement, the FIRST PARTY shall be entitled to terminate this Agreement forthwith by a communication in writing to the SECOND PARTY, without being liable in any manner whatsoever to the SECOND PARTY, if it determines that the SECOND PARTY has, directly or indirectly or through an agent, engaged in any Prohibited Practices in the Selection Process or before or after entering into of this Agreement. In such an event, the FIRST PARTY shall forfeit and appropriate the performance security, if any, as mutually agreed genuine pre-estimated compensation and damages payable to the FIRST PARTY towards, inter alia, the time, cost and effort of the FIRST PARTY, without prejudice to the FIRST PARTY’s any other rights or remedy hereunder or in law. Without prejudice to the rights of the FIRST PARTY under clause 3.5 (a) above and the other rights and remedies which the FIRST PARTY may have under this Agreement, if the SECOND PARTY is found by the FIRST PARTY to have directly or indirectly or through an agent, engaged or indulged in any Prohibited Practices, during the Selection Process, before or after the execution of this Agreement, the SECOND PARTY shall be Black listed for a period of 2 (two) years from the date the SECOND PARTY is found by the FIRST PARTY to have directly or indirectly or through an agent, engaged or indulged in any Prohibited Practices.
- b. The following terms shall have the meaning hereinafter respectively assigned to them:
 - i. “corrupt practice” means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence/ manipulate the actions of any person connected with the execution and monitoring of this contract.
 - ii. “Fraudulent practice” means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence/ forge the execution and monitoring of this contract;
 - iii. “coercive practice” means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the execution and monitoring of this contract;
 - iv. “ undesirable practice” means (i) establishing contact with any person connected with or employed or engaged by the FIRST PARTY with the objective of canvassing, lobbying or in any manner influencing or attempting to influence/ forge the execution and monitoring of this contract.

c. IFAD or its representative shall have the right to inspect the documents, sites and carry out independent verification, in cases of complaints of fraud and corruption and take appropriate remedial action in consultation with the Government of Uttarakhand and Government of India.

4. OPERATION OF THE AGREEMENT

The parties recognize that it is impractical in this Agreement to provide for every contingency which may arise during the life of the Agreement, and the Parties hereby agree that it is their intention that this Agreement shall operate fairly as between them, and without detriment to the interest of either of them, and that, if during term of this Agreement either Party believes that this Agreement is operating unfairly, the Parties will use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness, but failure to agree on any action pursuant to this Clause shall give rise to a dispute subject to arbitration in accordance with Clause 5.hereof.

5. SETTLEMENT OF DISPUTES

5.1 Amicable settlement

The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Agreement or the interpretation thereof.

5.2 Dispute resolution

a. Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the "Dispute") shall, in the first instance, be attempted to be resolved amicably in accordance with the conciliation procedure set forth in Clause 5.3

b. The parties agree to use their best efforts for resolving all Disputes arising under or in respect of this Agreement promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to all non-privileged records, information and data pertaining to any Dispute.

5.3 Conciliation

In the event of any Dispute between the Parties, either Party may call upon Project Director, UGVS and the Chairman of the Board of Directors of the SECOND PARTY or a substitute thereof for amicable settlement, and upon such reference, the said persons shall meet no later than 15 (fifteen) days from the date of reference to discuss and attempt to amicably resolve the Dispute. If such meeting does not take place within the 15 (fifteen) day period or the Dispute is not amicably settled within 20 (twenty) days of the meeting or the Dispute is not resolved as evidenced by the signing of written terms of settlement within 30 (thirty) days of the notice in writing or such longer period as may be mutually agreed by the Parties, either Party may refer the Dispute to arbitration in accordance with the provisions of Clause 5.4

5.4 Arbitration

Any Dispute which is not resolved amicably by conciliation, as provided in Clause 7.3, shall be referred to the Forest and Rural Development Commissioner, Govt. of Uttarakhand, Dehradun as sole and absolute Arbitrator. The Arbitrator shall hear and decide the dispute in accordance with the provisions of The Arbitration and Conciliation Act, 1996. The arbitration proceedings shall be conducted only at Dehradun, Uttarakhand. The decision of the Arbitrator shall be final and binding upon both the parties to this agreement.

Signed by

First Party
Name
Designation with Seal

Second Party
Name
Designation with Seal

Witness-

1.

2.