

No. 9475

**NETHERLANDS
and
INDIA**

**Exchange of letters constituting an agreement concerning
collaboration in a water development project in the
State of Bihar (with related note). New Delhi, 30 August
1968**

Authentic text: English.

Registered by the Netherlands on 19 March 1969.

**PAYS-BAS
et
INDE**

**Échange de lettres constituant un accord concernant la colla-
boration aux fins d'un projet de mise en valeur des
ressources hydrauliques dans l'État de Bihar (avec note
connexe). New Delhi, 30 août 1968**

Texte authentique: anglais.

Enregistré par les Pays-Bas le 19 mars 1969.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹
BETWEEN THE NETHERLANDS GOVERNMENT AND
THE GOVERNMENT OF INDIA CONCERNING COL-
LABORATION IN A WATER DEVELOPMENT PROJECT
IN THE STATE OF BIHAR

I

ROYAL NETHERLANDS EMBASSY

Nr. 5905

New Delhi, August 30, 1968

Sir,

With reference to recent negotiations between representatives of the Government of the Kingdom of the Netherlands and of the Government of India concerning collaboration between the two Governments in a water development project to be executed in the State of Bihar, I have the honour to submit the following proposals on behalf of the Government of the Kingdom of the Netherlands:

1. The two Governments shall collaborate, under the overall responsibility of the Indian Government, and in conformity with the Summary of discussions (appendix)² held between representatives of the Government of the Kingdom of the Netherlands and of the Government of India in January 1968, in the following undertakings (hereinafter called "the project"):

- drilling a number of wells for the supply of fresh water;
- preparing a hydrological survey for the abovementioned drilling programme;
- carrying out a training programme in hydrology and drilling techniques.

2. The Government of the Kingdom of the Netherlands shall make available for the project a number of hydrological and drilling experts, and a number of technicians, including military personnel from the Corps of Engineers of the Royal Netherlands Army, as agreed to between the Government of India and the Government of the Kingdom of the Netherlands, provided the number does not exceed teamleader plus 24.

¹ Came into force on 30 August 1968, the date of the letter in reply, in accordance with the provisions of the said letters.

² The said appendix does not form part of the Agreement. (Information provided by the Government of the Netherlands.)

3. The Government of the Kingdom of the Netherlands shall provide the equipment and materials as may be mutually agreed to between the two Governments.

4. The Government of India shall take measures to ensure that the project can be carried out smoothly, shall assist the Netherlands personnel as much as possible and shall be responsible for the safety of the Netherlands personnel and their property and of the equipment and materials used for the project.

5. The Government of India shall provide the Netherlands experts and technicians with such information as is mutually considered relevant to the execution of the project.

6. The Government of India shall provide a number of counterpart experts and technicians and any other local personnel required for the project.

7. The Government of India shall furnish at its own expense:
- office accommodation and other premises;
 - post and telecommunications services for official use.

8. The Government of India shall take all the necessary steps for clearance and temporary storage at the port of arrival in India, and for the transportation in India, of the equipment, materials and other goods required for the project that are made available by the Government of the Kingdom of the Netherlands.

9. The Government of India shall establish procedures to exempt the Government of the Kingdom of the Netherlands from payment of duties and taxes imposed in India on equipment and other goods imported into India or bought in India for the project and to provide customs clearance permits.

10. Any equipment, materials and supplies which may be furnished by the Government of the Kingdom of the Netherlands shall remain its property till the completion of the project. Thereafter, and in terms of agreement between the competent authorities, the Government of the Kingdom of the Netherlands shall donate the equipment brought in from the Netherlands to the Government of India for being made over to the Government of Bihar and the E.T.O.

11. Collaboration between the two Governments in the project shall be described in an administrative agreement ("Plan of Operations"), which shall be concluded and may be amended, if necessary, by agreement between the competent authorities designated by each Government. Each Government shall inform the other what authority it has so designated.

12. Netherlands funds imported into India for the project shall be exempt from all currency control and investment or deposit requirements in India.

13. The funds referred to in paragraph 12 shall be converted into currency of India at the official rate prevailing at the time of conversion.

14. The Government of the Kingdom of the Netherlands shall appoint a team leader who shall be responsible to the Netherlands authorities for the Netherlands assistance to be rendered for the project and for reporting on the execution thereof to these authorities. The team leader shall act in close consultation with the Government of India or with the authorities designated by that Government in matters concerning the technical activities of the Netherlands personnel, and shall respect the operational instructions given by that Government or by such authorities as may be pertinent in view of the nature of his duties and of the technical assistance to be given.