

CONVENTION

Between

The Research and Studies Centre for the Fishery, S.C.A.R.L, called "C.I.R.S.PE" below, resident in No.21- Gigli D'ORO Ave. 00186 Roma, represented by the president, Doctor Massimo GUERRIERI, resident in No.21 Gigli d'Oro Ave. Roma

And

The Asian Fisheries Technology & Management Co. Ltd. nominated "the company" below situated in Unit 22, No. 23,27th St., Alvand St., Arjantine Sq., Teheran –Islamic Republic of Iran, its director: Mr Esmaili resident in Unit 22, No. 23,27th St., Alvand St., Arjantine Sq., Teheran.

Introductory Statement

-Referring to the finance of the project of Aquaculture in Sistan-Baluchestan Province of Islamic Republic of Iran which is presented by the Italian Foreign secretary of state- the general director of cooperation of the development,

-Referring to the presentation of the above emission from the Italian Government to the United Nations Development Project (UNDP) in Teheran based on a reciprocate agreement on the subject,

-Referring the direct intervention of SHILAT, Iranian Fisheries Organization, in both administration and operation of the project in order to respect the technical and professional contribution of Iranians that is the principle of the Italian cooperation in the development.

-Referring to the existence of professional Iranian resources based on their experience ,the expected activity of the project will be executed.

-Referring to guarantee the whole involvement of SHILAT-Iranian Fishers Organization, In the technical structure of the project in Sistan-Baluchestan .

both parts agree on and draw up what follows:

Article 1

The Asian Fisheries Technology & Management Co. Ltd subscribes the agreement on carrying out the below mentioned activities with its personal

structure. The activities will be done in Sistan-Baluchestan Province concentrating on the production of *Fenneropenaeus indicus* in Chabahar area in Gowater site, with the purpose to elaborate a development strategy for the private shrimp sector in the Province.

The first component of the project is to test two crops per years, with a stocking density of 18 PL/square meter. The Italian Project will provide the private sector with PL as a grant.

The second component of the project is connected on testing different stocking density in private farms using aerators to improve the production level. The shrimp PL will be stocked at 180.000; 220.000; 260.000 PL/ha. For this component the Italian Project will provide private farmers with 500 aerators and PL as a grant.

For the two project components the Italian Project will provide the private sector with a maximum of 25 million of PL as a grant, according to the sector policy of SHILAT.

The private sector will manage the ponds; CIRSPE technical assistance will assist the private sector with the aim to elaborate the “Shrimp Culture Development Strategy for the Province”, analyzing the final data of the productive activities.

At this regard, the Asian Fisheries activities are determined as below:

- Assistance for private hatcheries identifications for shrimp PL purchasing;
- Periodic technical survey in the private farms to collect rearing data (stocking density, samples, water parameters, feeding, mortality);
- Data collections: the data will be written in computer files and tables, graphs will be prepared accordingly;
- The rearing activities will be controlled giving to the private sectors and farmers indications and suggestions;
- Attention will be given to feeding and water parameter and also to any banned medicines or chemicals during the productive cycles for the duration of the activities (from 7th May to 7th Nov.2006).
- Studies of the private sector in the project area for a technical and economical analysis;
- The described activities will start on the 7th May 2006 and will finish on the 7th Nov. 2006.

The Asian Fisheries Technology & Management Co. Ltd is responsible for:

- A) Informing C.I.R.S.P.E. about all the information related to the management of the rearing in order to be used in the processing of the technical reports which should be sent to the Italian Embassy, Foreign secretary of state in Rome, SHILAT and UNDP.
- B) Execution of the activities in a tight collaboration with SHILAT and the technical responsible of C.I.R.S.P.E., based on the main aim of the cooperation with Italy in social and economical development.
- C) Shilat provided a detail scope of technical services that is attached to the contract and shall be followed by the company.

Article 2

For the described activities, the company undertakes to task Mr. Deepak Patnaik as Technical manager (qualification of M.S. in aquaculture and 5 years of experience in shrimp aquaculture from India, that will be responsible of the technical activities and the preparation of the technical papers. In any case of impossibility for him to take duty, the company shall delegate another person with equivalent skills.

Apart from that the company undertakes another qualified technician from India (Dr.Krishna Murthy), as the part time consultant who will have 3 trips based on Shilat request, each time 2 weeks and two Iranian assistants for ponds monitoring and data collection with the required experience on aquaculture and having knowledge on monitoring the ponds and instruments managing.

The above mentioned team (3 people as full time and one part time) shall stay in Gowater site, for the whole period of this work (from 7th May to 7th Nov.) which is a period of 6 months for a total of 19.5 man/months.

The above mentioned team shall work under the CIRSPE project manager and with the technical supervision of Mr. M.E. Esmaeli for the Asian Fisheries T.M. Co. Ltd

Article3

This contract is stipulated for a duration of 6 months (6) which will start from the 7th May 2006 up to the 7th of Nov. 2006.

This contract can be suspended when the Company can not carry out his above mentioned duty. In that case C.I.R.S.P.E. will pay the work done up to that moment.

Article 4

The Asian Fisheries Technology & Management Co. Ltd, because of its services will be paid 74,000.00 Euro by C.I.R.S.P.E. as follows:

- a) An advance payment of 30% after signing the contract and before the arrival of the team in the project site in Gowater. The beneficiary shall provide the acceptable receipt for receiving the advance payment of 30%.
- b) The second payment shall be 20% and two months after starting, submitting the First Intermediate Report. The beneficiary shall provide the acceptable receipt for receiving the payment of 20%.
- c) Third payment on the 1st of August 2006 for the 30% , submitting the Second Intermediate Report. The beneficiary shall provide the acceptable receipt for receiving the payment of 30%.
- d) The last one after finishing, submitting and approval by CIRSPE of the Final Report. The beneficiary shall provide the acceptable receipt for receiving the payment of the final 20%.

All expenses of the team such as traveling, food, farm visits is with the company.

Article 5

The Asian Fisheries Technology & Management Co. Ltd, will prepare the following documents:

- A1) Daily Reports will be given to the Asian Fisheries Technical manager by the assistants;
- A2) Weekly Reports will be prepared by the Asian Fisheries Technical Manager and submitted to the CIRSPE Technical Manager;
- A3) Monthly Reports will be prepared by the Asian Fisheries Technical Manager and submitted to the CIRSPE Technical Manager;
- A4) Monthly meetings shall be organized between the Asian Fisheries and CIRSPE Technical manager and CIRSPE staff.
- A5) Monthly meetings shall be organized also with the private sectors in the presence of SHILAT, CIRSPE Technical manager and CIRSPE staff.

- B1) Technical First Intermediate Report after 2 months activities;
- B2) Technical Second Intermediate Report after 4 months activities;
- B3) Technical Final Report at the end of the activities after harvesting (including pictures, films, tables, graph, data analysis and conclusion).
- B4) A copy of weekly and monthly report should submit to Shilat office in Chabahar.

All the reports will be written in English

The payments will be done by C.I.R.S.P.E. with remittance to the below mentioned account

Correspondent Bank	Credit Suisse (Head Office) Zurich SWIFT CODE -CRESCHZZBOA-
Beneficiary Bank	Export Development Bank of Iran Central Br.Code 1301 SWIFT CODE -EDBIIRTHCEN- In favor of Mr. Seyd Javad Moosavi A/C OR ID n. 010138216 Transfer under MT 103 MSG

After receiving the relative receipts to be presented to SHILAT and UNDP as the documents of expenses.

Article 6

The executer has to send his team after 2 weeks from the receiving of the advanced payment.

Article 7

All the papers and technical matters produced within the project will be at disposal of the Controller Committee of the project and C.I.R.S.P.E., therefore, has the right to publish and divulgate a part or the integral version of the papers referring to their institutional aims.

Article 8

C.I.R.S.P.E. can suspend the convention whenever it is needed a precaution in situations like war, natural disaster or similar conditions which change the present situation at the subscribing of this convention and make impossible or inopportune the continuation of the project and the company. will be certainly informed with a letter.

Article 9

C.I.R.S.P.E. can rescind this contract in case of violation of the Article 2 and, in case of inobservance on replacing the expert with a person with equivalent skills in a short period of time. In this case, referring to the interest of the Iranian Government, and the cooperation project, C.I.R.S:PE. has the right to rescind this contract, ask for money already paid and charge a penalty of the 15% of the total amount of the contract.

Apart from that, if any of the above articles would not be observed, C.I.R.S.P.E. has the right to rescind this contract.

Article 10

If any controversy referring to the interpretation and application of this contract happens , both sides agree to try their best to solve the problems of disputes, mutually, otherwise they may refer to SHILAT as the fair part (foreign affairs or NPD). If not solved the Italian judicial court in Rome, has the exclusive right to make establishments.

Article 11

For anything not foreseen, the Italian normative arrangement in force, will take part.

This contract is signed in 4 original copies, 2 in English and, 2 in Italian.

Rome, 13th of February 2006

For The Asian Fisheries Technology & Management Co. Ltd Executive Manager Mr. E.Esmaeili		For C.I.R.S.PE. The President Massimo GUERRIERI
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The conditions mentioned in the articles n. 4, 7, 8, 9 and 10 have been accepted and confirmed.

For The Asian Fisheries Technology & Management Co. Ltd Executive Manager Mr. E.Esmaeili		For C.I.R.S.PE. The President Massimo GUERRIERI
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